



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB6664

by Rep. Jay C. Hoffman

SYNOPSIS AS INTRODUCED:

See Index

Creates the Chicago Casino Development Authority Act and the Illinois Casino Development Authority Act to create authorities for the purposes of developing and operating casinos. Amends the Illinois Horse Racing Act of 1975. Makes changes concerning the Illinois Racing Board. Allows advance deposit wagering. Adds provisions concerning drug testing for horses. Makes other changes. Amends the Illinois Horse Racing Act of 1975 and the Riverboat Gambling Act to provide for the conduct of electronic gaming at tracks. Makes other changes. Amends the Riverboat Gambling Act. Makes changes concerning the Illinois Gaming Board. Authorizes the issuance of an additional riverboat license and 2 casino licenses. Contains provisions regarding the re-issuance of the 10th riverboat license. Allows the Chicago Casino Development Authority and the Illinois Casino Development Authority to receive casino licenses. Changes the short title to the Illinois Gambling Act and makes corresponding changes in other Acts. Provides for the conduct of electronic poker. Amends the Retailers' Occupation Tax Act with respect to the State sales tax collected on motor fuel. Amends the School Construction Law to create the Chicago Public Schools Capital Needs Board. Makes other changes.

LRB095 21837 AMC 52065 b

CORRECTIONAL
BUDGET AND
IMPACT NOTE ACT
MAY APPLY

FISCAL NOTE ACT
MAY APPLY

HOME RULE NOTE
ACT MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

A BILL FOR

1 AN ACT concerning revenue.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 ARTICLE 1.

5 Section 1-1. Short title. This Article may be cited as the
6 Chicago Casino Development Authority Act.

7 Section 1-5. Definitions. As used in this Act:

8 "Authority" means the Chicago Casino Development Authority
9 created by this Act.

10 "Board" means the board appointed pursuant to this Act to
11 govern and control the Authority.

12 "Casino" means one temporary land-based facility and a
13 permanent land-based facility, at each of which lawful gambling
14 is authorized and licensed as provided in the Illinois Gambling
15 Act.

16 "City" means the City of Chicago.

17 "Casino operator licensee" means any person or entity
18 selected by the Authority and approved and licensed by the
19 Gaming Board to manage and operate a casino within the City of
20 Chicago pursuant to a casino management contract.

21 "Casino management contract" means a legally binding
22 agreement between the Authority and a casino operator licensee

1 to operate or manage a casino.

2 "Executive director" means the person appointed by the
3 Board to oversee the daily operations of the Authority.

4 "Gaming Board" means the Illinois Gaming Board created by
5 the Illinois Gambling Act.

6 "Mayor" means the Mayor of the City.

7 Section 1-12. Creation of the Authority. After the 5
8 members of the Illinois Gaming Board are appointed and
9 qualified pursuant to this amendatory Act of the 95th General
10 Assembly, there is hereby created a political subdivision, unit
11 of local government with only the powers authorized by law,
12 body politic, and municipal corporation, by the name and style
13 of the Chicago Casino Development Authority.

14 Section 1-13. Duties of the Authority. It shall be the duty
15 of the Authority, as a casino licensee under the Illinois
16 Gambling Act, to promote, operate, and maintain a casino in the
17 City. The Authority shall construct, equip, and maintain
18 grounds, buildings, and facilities for that purpose. The
19 Authority has the right to contract with a casino operator
20 licensee and other third parties in order to fulfill its
21 purpose. The Authority is granted all rights and powers
22 necessary to perform such duties.

23 Section 1-15. Board.

1 (a) The governing and administrative powers of the
2 Authority shall be vested in a body known as the Chicago Casino
3 Development Board. The Board shall consist of 3 members
4 appointed by the Mayor. All appointees shall be subject to
5 background investigation and approval by the Gaming Board. One
6 of these members shall be designated by the Mayor to serve as
7 chairperson. All of the members appointed by the Mayor shall be
8 residents of the City.

9 (b) Board members shall receive \$300 for each day the
10 Authority meets and shall be entitled to reimbursement of
11 reasonable expenses incurred in the performance of their
12 official duties. A Board member who serves in the office of
13 secretary-treasurer may also receive compensation for services
14 provided as that officer.

15 Section 1-20. Terms of appointments; resignation and
16 removal.

17 (a) The Mayor shall appoint one member of the Board for an
18 initial term expiring July 1 of the year following approval by
19 the Gaming Board, one member for an initial term expiring July
20 1 three years following approval by the Gaming Board, and one
21 member for an initial term expiring July 1 five years following
22 approval by the Gaming Board.

23 (b) All successors shall hold office for a term of 5 years
24 from the first day of July of the year in which they are
25 appointed, except in the case of an appointment to fill a

1 vacancy. Each member, including the chairperson, shall hold
2 office until the expiration of his or her term and until his or
3 her successor is appointed and qualified. Nothing shall
4 preclude a member from serving consecutive terms. Any member
5 may resign from office, to take effect when a successor has
6 been appointed and qualified. A vacancy in office shall occur
7 in the case of a member's death or indictment, conviction, or
8 plea of guilty to a felony. A vacancy shall be filled for the
9 unexpired term by the Mayor with the approval of the Gaming
10 Board.

11 (c) The Mayor or the Gaming Board may remove any member of
12 the Board upon a finding of incompetence, neglect of duty, or
13 misfeasance or malfeasance in office or for a violation of this
14 Act. The Gaming Board may remove any member of the Board for
15 any violation of the Illinois Gambling Act or the rules and
16 regulations of the Gaming Board.

17 Section 1-25. Organization of Board; meetings. After
18 appointment by the Mayor and approval of the Gaming Board, the
19 Board shall organize for the transaction of business. The Board
20 shall prescribe the time and place for meetings, the manner in
21 which special meetings may be called, and the notice that must
22 be given to members. All actions and meetings of the Board
23 shall be subject to the provisions of the Open Meetings Act.
24 Two members of the Board shall constitute a quorum. All
25 substantive action of the Board shall be by resolution with an

1 affirmative vote of a majority of the members.

2 Section 1-30. Executive director; officers.

3 (a) The Board shall appoint an executive director, subject
4 to completion of a background investigation and approval by the
5 Gaming Board, who shall be the chief executive officer of the
6 Authority. The Board shall fix the compensation of the
7 executive director. Subject to the general control of the
8 Board, the executive director shall be responsible for the
9 management of the business, properties, and employees of the
10 Authority. The executive director shall direct the enforcement
11 of all resolutions, rules, and regulations of the Board, and
12 shall perform such other duties as may be prescribed from time
13 to time by the Board. All employees and independent
14 contractors, consultants, engineers, architects, accountants,
15 attorneys, financial experts, construction experts and
16 personnel, superintendents, managers, and other personnel
17 appointed or employed pursuant to this Act shall report to the
18 executive director. In addition to any other duties set forth
19 in this Act, the executive director shall do all of the
20 following:

21 (1) Direct and supervise the administrative affairs
22 and activities of the Authority in accordance with its
23 rules, regulations, and policies.

24 (2) Attend meetings of the Board.

25 (3) Keep minutes of all proceedings of the Board.

1 (4) Approve all accounts for salaries, per diem
2 payments, and allowable expenses of the Board and its
3 employees and consultants.

4 (5) Report and make recommendations to the Board
5 concerning the terms and conditions of any casino
6 management contract.

7 (6) Perform any other duty that the Board requires for
8 carrying out the provisions of this Act.

9 (7) Devote his or her full time to the duties of the
10 office and not hold any other office or employment.

11 (b) The Board may select a secretary-treasurer to hold
12 office at the pleasure of the Board. The Board shall fix the
13 duties of such officer.

14 Section 1-31. General rights and powers of the Authority.
15 In addition to the duties and powers set forth in this Act, the
16 Authority shall have the following rights and powers:

17 (1) Adopt and alter an official seal.

18 (2) Establish and change its fiscal year.

19 (3) Sue and be sued, plead and be impleaded, all in its
20 own name, and agree to binding arbitration of any dispute
21 to which it is a party.

22 (4) Adopt, amend, and repeal by-laws, rules, and
23 regulations consistent with the furtherance of the powers
24 and duties provided for.

25 (5) Maintain its principal office within the City and

1 such other offices as the Board may designate.

2 (6) Select locations in the City for a temporary and a
3 permanent casino, subject to final approval by the Gaming
4 Board.

5 (7) Conduct background investigations of potential
6 casino operator licensees, including its principals or
7 shareholders, and Authority staff. The Authority may
8 request the assistance of the Office of Gaming Enforcement.

9 (8) Employ, either as regular employees or independent
10 contractors, consultants, engineers, architects,
11 accountants, attorneys, financial experts, construction
12 experts and personnel, superintendents, managers and other
13 professional personnel, and such other personnel as may be
14 necessary in the judgment of the Board, and fix their
15 compensation.

16 (9) Own, acquire, construct, equip, lease, operate,
17 and maintain grounds, buildings, and facilities to carry
18 out its corporate purposes and duties.

19 (10) Enter into, revoke, and modify contracts, subject
20 to final approval of the Gaming Board.

21 (11) Enter into a casino management contract subject to
22 the final approval of the Gaming Board.

23 (12) Develop, or cause to be developed by a third
24 party, a master plan for the design, planning, and
25 development of a casino.

26 (13) Negotiate and enter into intergovernmental

1 agreements with the State and its agencies, the City, and
2 other units of local government, in furtherance of the
3 powers and duties of the Board. However, the Authority may
4 not enter into an agreement with the State Police.

5 (14) Receive and disburse funds for its own corporate
6 purposes or as otherwise specified in this Act.

7 (15) Borrow money from any source, public or private,
8 for any corporate purpose, including, without limitation,
9 working capital for its operations, reserve funds, or
10 payment of interest, and to mortgage, pledge, or otherwise
11 encumber the property or funds of the Authority and to
12 contract with or engage the services of any person in
13 connection with any financing, including financial
14 institutions, issuers of letters of credit, or insurers and
15 enter into reimbursement agreements with this person or
16 entity which may be secured as if money were borrowed from
17 the person or entity.

18 (16) Issue bonds as provided for under this Act.

19 (17) Receive and accept from any source, private or
20 public, contributions, gifts, or grants of money or
21 property to the Authority.

22 (18) Provide for the insurance of any property,
23 operations, officers, members, agents, or employees of the
24 Authority against any risk or hazard, to self-insure or
25 participate in joint self-insurance pools or entities to
26 insure against such risk or hazard, and to provide for the

1 indemnification of its officers, members, employees,
2 contractors, or agents against any and all risks.

3 (19) Exercise all the corporate powers granted
4 Illinois corporations under the Business Corporation Act
5 of 1983, except to the extent that powers are inconsistent
6 with those of a body politic and corporate of the State.

7 (20) Do all things necessary or convenient to carry out
8 the powers granted by this Act.

9 Section 1-32. Ethical Conduct.

10 (a) Board members and employees of the Authority must carry
11 out their duties and responsibilities in such a manner as to
12 promote and preserve public trust and confidence in the
13 integrity and conduct of gaming.

14 (b) Except as may be required in the conduct of official
15 duties, Board members and employees of the Authority shall not
16 engage in gambling on any riverboat, in any casino, or in an
17 electronic gaming facility licensed by the Illinois Gaming
18 Board or engage in legalized gambling in any establishment
19 identified by Board action that, in the judgment of the Board,
20 could represent a potential for a conflict of interest.

21 (c) A Board member or employee of the Authority shall not
22 use or attempt to use his or her official position to secure or
23 attempt to secure any privilege, advantage, favor, or influence
24 for himself or herself or others.

25 (d) Board members and employees of the Authority shall not

1 hold or pursue employment, office, position, business, or
2 occupation that may conflict with his or her official duties.
3 Employees may engage in other gainful employment so long as
4 that employment does not interfere or conflict with their
5 duties. Such employment must be disclosed to the Executive
6 Director and approved by the Board.

7 (e) Board members and employees of the Authority may not
8 engage in employment, communications, or any activity that may
9 be deemed a conflict of interest. This prohibition shall extend
10 to any act identified by Board action or Gaming Board action
11 that, in the judgment of the either entity, could represent the
12 potential for or the appearance of a conflict of interest.

13 (f) Board members and employees of the Authority may not
14 have a financial interest, directly or indirectly, in his or
15 her own name or in the name of any other person, partnership,
16 association, trust, corporation, or other entity in any
17 contract or subcontract for the performance of any work for the
18 Authority. This prohibition shall extend to the holding or
19 acquisition of an interest in any entity identified by Board
20 action or Gaming Board action that, in the judgment of the
21 either entity, could represent the potential for or the
22 appearance of a financial interest. The holding or acquisition
23 of an interest in such entities through an indirect means, such
24 as through a mutual fund, shall not be prohibited, except that
25 the Gaming Board may identify specific investments or funds
26 that, in its judgment, are so influenced by gaming holdings as

1 to represent the potential for or the appearance of a conflict
2 of interest.

3 (g) Board members and employees of the Authority may not
4 accept any gift, gratuity, service, compensation, travel,
5 lodging, or thing of value, with the exception of unsolicited
6 items of an incidental nature, from any person, corporation, or
7 entity doing business with the Authority.

8 (h) No Board member or employee of the Authority may,
9 within a period of 2 years immediately after termination of
10 employment, knowingly accept employment or receive
11 compensation or fees for services from a person or entity, or
12 its parent or affiliate, that has engaged in business with the
13 Authority that resulted in contracts with an aggregate value of
14 at least \$25,000 or if that Board member or employee has made a
15 decision that directly applied to the person or entity, or its
16 parent or affiliate.

17 (i) A spouse, child, or parent of a Board member or
18 employee of the Authority may not have a financial interest,
19 directly or indirectly, in his or her own name or in the name
20 of any other person, partnership, association, trust,
21 corporation, or other entity in any contract or subcontract for
22 the performance of any work for the Authority. This prohibition
23 shall extend to the holding or acquisition of an interest in
24 any entity identified by Board action or Gaming Board action
25 that, in the judgment of the either entity, could represent the
26 potential for or the appearance of a conflict of interest. The

1 holding or acquisition of an interest in such entities through
2 an indirect means, such as through a mutual fund, shall not be
3 prohibited, except that the Gaming Board may identify specific
4 investments or funds that, in its judgment, are so influenced
5 by gaming holdings as to represent the potential for or the
6 appearance of a conflict of interest.

7 (j) A spouse, child, or parent of a Board member or
8 employee of the Authority may not accept any gift, gratuity,
9 service, compensation, travel, lodging, or thing of value, with
10 the exception of unsolicited items of an incidental nature,
11 from any person, corporation, or entity doing business with the
12 Authority.

13 (k) A spouse, child, or parent of a Board member or
14 employee of the Authority may not, within a period of 2 years
15 immediately after termination of employment, knowingly accept
16 employment or receive compensation or fees for services from a
17 person or entity, or its parent or affiliate, that has engaged
18 in business with the Authority that resulted in contracts with
19 an aggregate value of at least \$25,000 or if that Board member
20 or employee has made a decision that directly applied to the
21 person or entity, or its parent or affiliate.

22 (l) No Board member or employee of the Authority may
23 attempt, in any way, to influence any person or corporation
24 doing business with the Authority or any officer, agent, or
25 employee thereof to hire or contract with any person or
26 corporation for any compensated work.

1 (m) Any communication between an elected official of the
2 City and any applicant for or party to a casino management
3 contract with the Authority, or an officer, director, or
4 employee thereof, concerning any manner relating in any way to
5 gaming or the Authority shall be disclosed to the Board and the
6 Gaming Board. Such disclosure shall be in writing by the
7 official within 30 days of the communication and shall be filed
8 with the Board. Disclosure must consist of the date of the
9 communication, the identity and job title of the person with
10 whom the communication was made, a brief summary of the
11 communication, the action requested or recommended, all
12 responses made, the identity and job title of the person making
13 the response, and any other pertinent information.

14 (n) Any Board member or employee of the Authority who
15 violates any provision of this Section is guilty of a Class 4
16 felony.

17 Section 1-45. Casino management contracts.

18 (a) The Board shall develop and administer a competitive
19 sealed bidding process for the selection of a potential casino
20 operator licensee to develop or operate a casino within the
21 City. The Board shall issue one or more requests for proposals.
22 The Board may establish minimum financial and investment
23 requirements to determine the eligibility of persons to respond
24 to the Board's requests for proposal, and may establish and
25 consider such other criteria as it deems appropriate. The Board

1 may impose a fee upon persons who respond to requests for
2 proposal, in order to reimburse the Board for its costs in
3 preparing and issuing the requests and reviewing the proposals.

4 (b) Within 5 days after the time limit for submitting bids
5 and proposals has passed, the Board shall make all bids and
6 proposals public. Thereafter, the Board shall evaluate the
7 responses to its requests for proposal and the ability of all
8 persons or entities responding to its request for proposal to
9 meet the requirements of this Act and to undertake and perform
10 the obligations set forth in its requests for proposal.

11 (c) After reviewing proposals and subject to Gaming Board
12 approval, the Board shall enter into a casino management
13 contract authorizing the development, construction, or
14 operation of a casino. Validity of the casino management
15 contract is contingent upon the issuance of a casino operator
16 license to the successful bidder. If the Gaming Board approves
17 the contract and grants a casino operator license, the Board
18 shall transmit a copy of the executed casino management
19 contract to the Gaming Board.

20 (d) After the Authority has been issued a casino license,
21 the Gaming Board has issued a casino operator license, and the
22 Gaming Board has approved the location of a temporary facility,
23 the Authority may conduct gaming operations at a temporary
24 facility for no longer than 12 months after gaming operations
25 begin. The Gaming Board may, after holding a public hearing,
26 grant an extension so long as a permanent facility is not

1 operational and the Authority is working in good faith to
2 complete the permanent facility. The Gaming Board may grant
3 additional extensions following a public hearing. Each
4 extension may be for a period of no longer than 6 months.

5 (e) Fifty percent of the total amount received as an
6 upfront fee by the Authority pursuant to a bid for a casino
7 management contract or an executed casino management contract
8 or \$300,000,000, whichever is greater, must be transmitted to
9 the State and deposited into the Illinois Works Fund pursuant
10 to Section 7.11 of the Illinois Gambling Act.

11 Section 1-50. Transfer of funds. The revenues received by
12 the Authority (other than amounts required to be paid pursuant
13 to the Illinois Gambling Act and amounts required to pay the
14 operating expenses of the Authority, to pay amounts due the
15 casino operator licensee pursuant to a casino management
16 contract, to repay any borrowing of the Authority made pursuant
17 to Section 1-31, to pay debt service on any bonds issued under
18 Section 1-75, and to pay any expenses in connection with the
19 issuance of such bonds pursuant to Section 1-75 or derivative
20 products pursuant to Section 1-85) shall be transferred to the
21 City by the Authority.

22 Section 1-55. Municipal distributions of proceeds from a
23 casino; gaming endowment funds. At least 70% of the moneys that
24 a municipality in which a casino is located receives pursuant

1 to Section 1-50 of this Act shall be described as "gaming
2 endowment funds" and be expended or obligated by the
3 municipality for the following purposes and in the following
4 amounts:

5 (1) 40% of such gaming endowment funds shall be used
6 for or pledged for the construction and maintenance of
7 infrastructure within the municipality, including but not
8 limited to roads, bridges, transit infrastructure, and
9 municipal facilities.

10 (2) 60% of such gaming endowment funds shall be used
11 for or pledged for the construction and maintenance of
12 schools, parks and cultural institution facilities, and
13 museums within the municipality.

14 Section 1-60. Auditor General.

15 (a) Prior to the issuance of bonds under this Act, the
16 Authority shall submit to the Auditor General a certification
17 that:

18 (1) it is legally authorized to issue bonds;

19 (2) scheduled annual payments of principal and
20 interest on the bonds to be issued meet the requirements of
21 Section 1-75 of this Act;

22 (3) no bond shall mature later than 30 years; and

23 (4) after payment of costs of issuance and necessary
24 deposits to funds and accounts established with respect to
25 debt service on the bonds, the net bond proceeds (exclusive

1 of any proceeds to be used to refund outstanding bonds)
2 will be used only for the purposes set forth in this Act.

3 The Authority also shall submit to the Auditor General its
4 projections on revenues to be generated and pledged to
5 repayment of the bonds as scheduled and such other information
6 as the Auditor General may reasonably request.

7 The Auditor General shall examine the certifications and
8 information submitted and submit a report to the Authority and
9 the Gaming Board indicating whether the required
10 certifications, projections, and other information have been
11 submitted by the Authority and that the assumptions underlying
12 the projections are not unreasonable in the aggregate. The
13 Auditor General shall submit the report no later than 60 days
14 after receiving the information required to be submitted by the
15 Authority.

16 The Authority shall not issue bonds until it receives the
17 report from the Auditor General indicating the requirements of
18 this Section have been met. The Auditor General's report shall
19 not be in the nature of a post-audit or examination and shall
20 not lead to the issuance of an opinion, as that term is defined
21 in generally accepted government auditing standards. The
22 Auditor General shall submit a bill to the Authority for costs
23 associated with the examinations and report required under this
24 Section. The Authority shall reimburse in a timely manner.

25 (b) The Auditor General has the authority and is required
26 to conduct a financial and management audit of the Authority

1 every 2 years. The Auditor General shall also conduct one
2 post-construction and financing audit of the casino after it is
3 completed and in operation. The Auditor General's audits must
4 be posted on his or her Internet website. The Auditor General
5 shall submit a bill to the Authority for costs associated with
6 the audits required under this Section. The Authority shall
7 reimburse in a timely manner.

8 Section 1-62. Advisory committee. An Advisory Committee is
9 established to monitor, review, and report on (1) the City's
10 utilization of minority-owned business enterprises and
11 female-owned business enterprises, (2) employment of females,
12 and (3) employment of minorities with regard to the development
13 and construction of the casino as authorized under Section 7.11
14 of the Illinois Gambling Act. The City of Chicago shall work
15 with the Advisory Committee in accumulating necessary
16 information for the Committee to submit reports, as necessary,
17 to the General Assembly and to the City of Chicago.

18 The Committee shall consist of 15 members as provided in
19 this Section. Seven members shall be selected by the Mayor of
20 the City of Chicago; 2 members shall be selected by the
21 President of the Illinois Senate; 2 members shall be selected
22 by the Speaker of the House of Representatives; 2 members shall
23 be selected by the Minority Leader of the Senate; and 2 members
24 shall be selected by the Minority Leader of the House of
25 Representatives. The Advisory Committee shall meet

1 periodically and shall report the information to the Mayor of
2 the City and to the General Assembly by December 31st of every
3 year.

4 The Advisory Committee shall be dissolved on the date that
5 casino gambling operations are first conducted under the
6 license authorized under Section 7.11 of the Illinois Gambling
7 Act, other than at a temporary facility.

8 For the purposes of this Section, the terms "female" and
9 "minority person" have the meanings provided in Section 2 of
10 the Business Enterprise for Minorities, Females, and Persons
11 with Disabilities Act.

12 Section 1-65. Acquisition of property; eminent domain
13 proceedings. For the lawful purposes of this Act, the City may
14 acquire by eminent domain or by condemnation proceedings in the
15 manner provided by the Eminent Domain Act, real or personal
16 property or interests in real or personal property located in
17 the City, and the City may convey to the Authority property so
18 acquired. The acquisition of property under this Section is
19 declared to be for a public use.

20 Section 1-70. Local regulation. The casino facilities and
21 operations therein shall be subject to all ordinances and
22 regulations of the City. The construction, development, and
23 operation of the casino shall comply with all ordinances,
24 regulations, rules, and controls of the City, including but not

1 limited to those relating to zoning and planned development,
2 building, fire prevention, and land use. However, the
3 regulation of gaming operations is subject to the exclusive
4 jurisdiction of the Gaming Board.

5 Section 1-75. Borrowing.

6 (a) The Authority may borrow money and issue bonds as
7 provided in this Section. Bonds of the Authority may be issued
8 to provide funds for land acquisition, site assembly and
9 preparation, and the design and construction of the casino, as
10 defined in the Illinois Gambling Act, all ancillary and related
11 facilities comprising the casino complex, and all on-site and
12 off-site infrastructure improvements required in connection
13 with the development of the casino; to refund (at the time or
14 in advance of any maturity or redemption) or redeem any bonds
15 of the Authority; to provide or increase a debt service reserve
16 fund or other reserves with respect to any or all of its bonds;
17 or to pay the legal, financial, administrative, bond insurance,
18 credit enhancement, and other legal expenses of the
19 authorization, issuance, or delivery of bonds. In this Act, the
20 term "bonds" also includes notes of any kind, interim
21 certificates, refunding bonds, or any other evidence of
22 obligation for borrowed money issued under this Section. Bonds
23 may be issued in one or more series and may be payable and
24 secured either on a parity with or separately from other bonds.

25 (b) The bonds of the Authority shall be payable from one or

1 more of the following sources: (i) the property or revenues of
2 the Authority; (ii) revenues derived from the casino; (iii)
3 revenues derived from any casino operator licensee; (iv) fees,
4 bid proceeds, charges, lease payments, payments required
5 pursuant to any casino management contract or other revenues
6 payable to the Authority, or any receipts of the Authority; (v)
7 payments by financial institutions, insurance companies, or
8 others pursuant to letters or lines of credit, policies of
9 insurance, or purchase agreements; (vi) investment earnings
10 from funds or accounts maintained pursuant to a bond resolution
11 or trust indenture; (vii) proceeds of refunding bonds; (viii)
12 any other revenues derived from or payments by the City; and
13 (ix) any payments by any casino operator licensee or others
14 pursuant to any guaranty agreement.

15 (c) Bonds shall be authorized by a resolution of the
16 Authority and may be secured by a trust indenture by and
17 between the Authority and a corporate trustee or trustees,
18 which may be any trust company or bank having the powers of a
19 trust company within or without the State. Bonds shall meet the
20 following requirements:

21 (1) Bonds shall bear interest at a rate not to exceed
22 the maximum rate authorized by the Bond Authorization Act.

23 (2) Bonds issued pursuant to this Section must be
24 issued with principal or mandatory redemption amounts in
25 equal amounts, with the first maturity issued occurring
26 within the fiscal year in which the bonds are issued or

1 within the next succeeding fiscal year, and with bonds
2 maturing or subject to mandatory redemption each fiscal
3 year thereafter up to 30 years.

4 (3) At least 25%, based on total principal amount, of
5 all bonds issued pursuant to this Section shall be sold
6 pursuant to notice of sale and public bid. No more than
7 75%, based on total principal amount, of all bonds issued
8 pursuant to this Section shall be sold by negotiated sale.

9 (4) Bonds shall be payable at a time or times, in the
10 denominations and form, including book entry form, either
11 coupon, registered, or both, and carry the registration and
12 privileges as to exchange, transfer or conversion, and
13 replacement of mutilated, lost, or destroyed bonds as the
14 resolution or trust indenture may provide.

15 (5) Bonds shall be payable in lawful money of the
16 United States at a designated place.

17 (6) Bonds shall be subject to the terms of purchase,
18 payment, redemption, refunding, or refinancing that the
19 resolution or trust indenture provides.

20 (7) Bonds shall be executed by the manual or facsimile
21 signatures of the officers of the Authority designated by
22 the Board, which signatures shall be valid at delivery even
23 for one who has ceased to hold office.

24 (8) Bonds shall be sold at public or private sale in
25 the manner and upon the terms determined by the Authority.

26 (9) Bonds shall be issued in accordance with the

1 provisions of the Local Government Debt Reform Act.

2 (d) The Authority shall adopt a procurement program with
3 respect to contracts relating to underwriters, bond counsel,
4 financial advisors, and accountants. The program shall include
5 goals for the payment of not less than 30% of the total dollar
6 value of the fees from these contracts to minority owned
7 businesses and female owned businesses as defined in the
8 Business Enterprise for Minorities, Females, and Persons with
9 Disabilities Act. The Authority shall conduct outreach to
10 minority owned businesses and female owned businesses.
11 Outreach shall include, but is not limited to, advertisements
12 in periodicals and newspapers, mailings, and other appropriate
13 media. The Authority shall submit to the General Assembly a
14 comprehensive report that shall include, at a minimum, the
15 details of the procurement plan, outreach efforts, and the
16 results of the efforts to achieve goals for the payment of
17 fees.

18 (e) Subject to the Illinois Gambling Act and rules of the
19 Gaming Board regarding pledging of interests in holders of
20 owners licenses, any resolution or trust indenture may contain
21 provisions that may be a part of the contract with the holders
22 of the bonds as to the following:

23 (1) Pledging, assigning, or directing the use,
24 investment, or disposition of revenues of the Authority or
25 proceeds or benefits of any contract, including without
26 limitation, any rights in any casino management contract.

1 (2) The setting aside of loan funding deposits, debt
2 service reserves, replacement or operating reserves, cost
3 of issuance accounts and sinking funds, and the regulation,
4 investment, and disposition thereof.

5 (3) Limitations on the purposes to which or the
6 investments in which the proceeds of sale of any issue of
7 bonds or the Authority's revenues and receipts may be
8 applied or made.

9 (4) Limitations on the issue of additional bonds, the
10 terms upon which additional bonds may be issued and
11 secured, the terms upon which additional bonds may rank on
12 a parity with, or be subordinate or superior to, other
13 bonds.

14 (5) The refunding, advance refunding, or refinancing
15 of outstanding bonds.

16 (6) The procedure, if any, by which the terms of any
17 contract with bondholders may be altered or amended and the
18 amount of bonds and holders of which must consent thereto
19 and the manner in which consent shall be given.

20 (7) Defining the acts or omissions which shall
21 constitute a default in the duties of the Authority to
22 holders of bonds and providing the rights or remedies of
23 such holders in the event of a default, which may include
24 provisions restricting individual rights of action by
25 bondholders.

26 (8) Providing for guarantees, pledges of property,

1 letters of credit, or other security, or insurance for the
2 benefit of bondholders.

3 (f) No member of the Board, nor any person executing the
4 bonds, shall be liable personally on the bonds or subject to
5 any personal liability by reason of the issuance of the bonds.

6 (g) The Authority may issue and secure bonds in accordance
7 with the provisions of the Local Government Credit Enhancement
8 Act.

9 (h) A pledge by the Authority of revenues and receipts as
10 security for an issue of bonds or for the performance of its
11 obligations under any casino management contract shall be valid
12 and binding from the time when the pledge is made. The revenues
13 and receipts pledged shall immediately be subject to the lien
14 of the pledge without any physical delivery or further act, and
15 the lien of any pledge shall be valid and binding against any
16 person having any claim of any kind in tort, contract, or
17 otherwise against the Authority, irrespective of whether the
18 person has notice. No resolution, trust indenture, management
19 agreement or financing statement, continuation statement, or
20 other instrument adopted or entered into by the Authority need
21 be filed or recorded in any public record other than the
22 records of the Authority in order to perfect the lien against
23 third persons, regardless of any contrary provision of law.

24 (i) Bonds that are being paid or retired by issuance, sale,
25 or delivery of bonds, and bonds for which sufficient funds have
26 been deposited with the paying agent or trustee to provide for

1 payment of principal and interest thereon, and any redemption
2 premium, as provided in the authorizing resolution, shall not
3 be considered outstanding for the purposes of this subsection.

4 (j) The bonds of the Authority shall not be indebtedness of
5 the State. The bonds of the Authority are not general
6 obligations of the State and are not secured by a pledge of the
7 full faith and credit of the State and the holders of bonds of
8 the Authority may not require, except as provided in this Act,
9 the application of State revenues or funds to the payment of
10 bonds of the Authority.

11 (k) The State of Illinois pledges and agrees with the
12 owners of the bonds that it will not limit or alter the rights
13 and powers vested in the Authority by this Act so as to impair
14 the terms of any contract made by the Authority with the owners
15 or in any way impair the rights and remedies of the owners
16 until the bonds, together with interest on them, and all costs
17 and expenses in connection with any action or proceedings by or
18 on behalf of the owners, are fully met and discharged. The
19 Authority is authorized to include this pledge and agreement in
20 any contract with the owners of bonds issued under this
21 Section.

22 (l) No person holding an elective office in this State,
23 holding a seat in the General Assembly, or serving as a board
24 member, trustee, officer, or employee of the Authority,
25 including the spouse of that person, may receive a legal,
26 banking, consulting, or other fee related to the issuance of

1 bonds.

2 Section 1-85. Derivative products. With respect to all or
3 part of any issue of its bonds, the Authority may enter into
4 agreements or contracts with any necessary or appropriate
5 person, which will have the benefit of providing to the
6 Authority an interest rate basis, cash flow basis, or other
7 basis different from that provided in the bonds for the payment
8 of interest. Such agreements or contracts may include, without
9 limitation, agreements or contracts commonly known as
10 "interest rate swap agreements", "forward payment conversion
11 agreements", "futures", "options", "puts", or "calls" and
12 agreements or contracts providing for payments based on levels
13 of or changes in interest rates, agreements or contracts to
14 exchange cash flows or a series of payments, or to hedge
15 payment, rate spread, or similar exposure.

16 Section 1-90. Legality for investment. The State of
17 Illinois, all governmental entities, all public officers,
18 banks, bankers, trust companies, savings banks and
19 institutions, building and loan associations, savings and loan
20 associations, investment companies, and other persons carrying
21 on a banking business, insurance companies, insurance
22 associations, and other persons carrying on an insurance
23 business, and all executors, administrators, guardians,
24 trustees, and other fiduciaries may legally invest any sinking

1 funds, moneys, or other funds belonging to them or within their
2 control in any bonds issued under this Act. However, nothing in
3 this Section shall be construed as relieving any person, firm,
4 or corporation from any duty of exercising reasonable care in
5 selecting securities for purchase or investment.

6 Section 1-95. Tax exemption. The Authority and all of its
7 operations and property used for public purposes shall be
8 exempt from all taxation of any kind imposed by the State of
9 Illinois or any political subdivision, school district,
10 municipal corporation, or unit of local government of the State
11 of Illinois. However, nothing in this Act prohibits the
12 imposition of any other taxes where such imposition is not
13 prohibited by Section 21 of the Illinois Gambling Act.

14 Section 1-105. Budgets and reporting.

15 (a) The Board shall annually adopt a budget for each fiscal
16 year. The budget may be modified from time to time in the same
17 manner and upon the same vote as it may be adopted. The budget
18 shall include the Authority's available funds and estimated
19 revenues and shall provide for payment of its obligations and
20 estimated expenditures for the fiscal year, including, without
21 limitation, expenditures for administration, operation,
22 maintenance and repairs, debt service, and deposits into
23 reserve and other funds and capital projects.

24 (b) The Board shall annually cause the finances of the

1 Authority to be audited by a firm of certified public
2 accountants and post the firm's audits of the Authority on the
3 Authority's Internet website.

4 (c) The Board shall, for each fiscal year, prepare an
5 annual report setting forth information concerning its
6 activities in the fiscal year and the status of the development
7 of the casino. The annual report shall include the audited
8 financial statements of the Authority for the fiscal year, the
9 budget for the succeeding fiscal year, and the current capital
10 plan as of the date of the report. Copies of the annual report
11 shall be made available to persons who request them and shall
12 be submitted not later than 120 days after the end of the
13 Authority's fiscal year to the Governor, the Mayor, the General
14 Assembly, and the Commission on Government Forecasting and
15 Accountability.

16 Section 1-110. Deposit and withdrawal of funds.

17 (a) All funds deposited by the Authority in any bank or
18 savings and loan association shall be placed in the name of the
19 Authority and shall be withdrawn or paid out only by check or
20 draft upon the bank or savings and loan association, signed by
21 2 officers or employees designated by the Board.
22 Notwithstanding any other provision of this Section, the Board
23 may designate any of its members or any officer or employee of
24 the Authority to authorize the wire transfer of funds deposited
25 by the secretary-treasurer of funds in a bank or savings and

1 loan association for the payment of payroll and employee
2 benefits-related expenses.

3 No bank or savings and loan association shall receive
4 public funds as permitted by this Section unless it has
5 complied with the requirements established pursuant to Section
6 of the Public Funds Investment Act.

7 (b) If any officer or employee whose signature appears upon
8 any check or draft issued pursuant to this Act ceases (after
9 attaching his signature) to hold his or her office before the
10 delivery of such a check or draft to the payee, his or her
11 signature shall nevertheless be valid and sufficient for all
12 purposes with the same effect as if he or she had remained in
13 office until delivery thereof.

14 Section 1-112. Contracts with the Authority or casino
15 operator licensee; disclosure requirements.

16 (a) A bidder, respondent, offeror, or contractor must
17 disclose the names of all officers and directors. A bidder,
18 respondent, or offeror, or contractor for contracts with the
19 Authority or casino operator licensee shall disclose the
20 identity of every owner, beneficiary, or person with beneficial
21 interest of more than 1%, or shareholder entitled to receive
22 more than 1% of the total distributable income of any
23 corporation, having any interest in the contract in the bidder,
24 respondent, offeror, or contractor. The disclosure shall be in
25 writing and attested to by an owner, trustee, corporate

1 official, or agent. If stock in a corporation is publicly
2 traded and there is no readily known individual having greater
3 than a 1% interest, then a statement to that affect attested to
4 by an officer or agent of the corporation or shall fulfill the
5 disclosure statement requirement of this Section. A bidder,
6 respondent, offeror, or contractor shall notify the Authority
7 of any changes in officers, directors, ownership, or
8 individuals having a beneficial interest of more than 1%.

9 (b) A bidder, respondent, offeror, or contractor for
10 contracts with an annual value of \$10,000 or for a period to
11 exceed one year shall disclose all political contributions of
12 the bidder, respondent, offeror, or contractor and any
13 affiliated person or entity. Disclosure shall include at least
14 the names and addresses of the contributors and the dollar
15 amounts of any contributions to any political committee made
16 within the previous 2 years. The disclosure must be submitted
17 to the Gaming Board with a copy of the contract prior to Gaming
18 Board approval of the contract. The Gaming Board shall refuse
19 to approve any contract that does not include the required
20 disclosure.

21 (c) As used in this Section:

22 "Contribution" means contribution as defined in Section
23 9-1.4 of the Election Code.

24 "Affiliated person" means (i) any person with any ownership
25 interest or distributive share of the bidding, responding, or
26 contracting entity in excess of 1%, (ii) executive employees of

1 the bidding, responding, or contracting entity, and (iii) the
2 spouse and minor children of any such persons.

3 "Affiliated entity" means (i) any parent or subsidiary of
4 the bidding or contracting entity, (ii) any member of the same
5 unitary business group, or (iii) any political committee for
6 which the bidding, responding, or contracting entity is the
7 sponsoring entity.

8 (d) The Gaming Board may direct the Authority or a casino
9 operator licensee to void a contract if a violation of this
10 Section occurs. The Authority may direct a casino operator
11 licensee to void a contract if a violation of this Section
12 occurs.

13 Section 1-115. Purchasing.

14 (a) All construction contracts and contracts for supplies,
15 materials, equipment, and services, when the cost thereof to
16 the Authority exceeds \$25,000, shall be let by a competitive
17 selection process to the lowest responsible proposer, after
18 advertising for proposals, except for the following:

19 (1) When repair parts, accessories, equipment, or
20 services are required for equipment or services previously
21 furnished or contracted for;

22 (2) Professional services;

23 (3) When services such as water, light, heat, power,
24 telephone (other than long-distance service), or telegraph
25 are required;

1 (4) When contracts for the use, purchase, delivery,
2 movement, or installation of data processing equipment,
3 software, or services and telecommunications equipment,
4 software, and services are required;

5 (5) Casino management contracts, which shall be
6 awarded as set forth in Section 1-45 of this Act.

7 (b) All contracts involving less than \$25,000 shall be let
8 by competitive selection process whenever possible, and in any
9 event in a manner calculated to ensure the best interests of
10 the public.

11 (c) In determining the responsibility of any proposer, the
12 Authority may take into account the proposer's (or an
13 individual having a beneficial interest, directly or
14 indirectly, of more than 1% in such proposing entity) past
15 record of dealings with the Authority, the proposer's
16 experience, adequacy of equipment, and ability to complete
17 performance within the time set, and other factors besides
18 financial responsibility. No such contract shall be awarded to
19 any proposer other than the lowest proposer (in case of
20 purchase or expenditure) unless authorized or approved by a
21 vote of at least 2 members of the Board and such action is
22 accompanied by a written statement setting forth the reasons
23 for not awarding the contract to the highest or lowest
24 proposer, as the case may be. The statement shall be kept on
25 file in the principal office of the Authority and open to
26 public inspection.

1 (d) The Authority shall have the right to reject all
2 proposals and to re-advertise for proposals. If after any such
3 re-advertisement, no responsible and satisfactory proposals,
4 within the terms of the re-advertisement, is received, the
5 Authority may award such contract without competitive
6 selection, provided that the Gaming Board must approve the
7 contract prior to its execution. The contract must not be less
8 advantageous to the Authority than any valid proposal received
9 pursuant to advertisement.

10 (e) Advertisements for proposals and re-proposals shall be
11 published at least once in a daily newspaper of general
12 circulation published in the City at least 10 calendar days
13 before the time for receiving proposals, and such
14 advertisements shall also be posted on readily accessible
15 bulletin boards in the principal office of the Authority. Such
16 advertisements shall state the time and place for receiving and
17 opening of proposals and, by reference to plans and
18 specifications on file at the time of the first publication or
19 in the advertisement itself, shall describe the character of
20 the proposed contract in sufficient detail to fully advise
21 prospective proposers of their obligations and to ensure free
22 and open competitive selection.

23 (f) All proposals in response to advertisements shall be
24 sealed and shall be publicly opened by the Authority. All
25 proposers shall be entitled to be present in person or by
26 representatives. Cash or a certified or satisfactory cashier's

1 check, as a deposit of good faith, in a reasonable amount to be
2 fixed by the Authority before advertising for proposals, shall
3 be required with the proposal. A bond for faithful performance
4 of the contract with surety or sureties satisfactory to the
5 Authority and adequate insurance may be required in reasonable
6 amounts to be fixed by the Authority before advertising for
7 proposals.

8 (g) The contract shall be awarded as promptly as possible
9 after the opening of proposals. The proposal of the successful
10 proposer, as well as the bids of the unsuccessful proposers,
11 shall be placed on file and be open to public inspection. All
12 proposals shall be void if any disclosure of the terms of any
13 proposals in response to an advertisement is made or permitted
14 to be made by the Authority before the time fixed for opening
15 proposals.

16 (h) Notice of each and every contract that is offered,
17 including renegotiated contracts and change orders, shall be
18 published in an online bulletin. The online bulletin must
19 include at least the date first offered, the date submission of
20 offers is due, the location that offers are to be submitted to,
21 a brief purchase description, the method of source selection,
22 information of how to obtain a comprehensive purchase
23 description and any disclosure and contract forms, and
24 encouragement to prospective vendors to hire qualified
25 veterans, as defined by Section 45-67 of the Illinois
26 Procurement Code, and Illinois residents discharged from any

1 Illinois adult correctional center. Notice of each and every
2 contract that is let or awarded, including renegotiated
3 contracts and change orders, shall be published in the online
4 bulletin and must include at least all of the information
5 specified in this item (h), as well as the name of the
6 successful responsible proposer or offeror, the contract
7 price, and the number of unsuccessful responsive proposers and
8 any other disclosure specified in this Section. This notice
9 must be posted in the online electronic bulletin prior to
10 execution of the contract.

11 Section 1-130. Affirmative action and equal opportunity
12 obligations of Authority.

13 (a) The Authority is subject to the requirements of Article
14 V of Chapter 2-92 (Sections 2-92-650 through 2-92-720
15 inclusive) of the Chicago Municipal Code, as now or hereafter
16 amended, renumbered, or succeeded, concerning a Minority-Owned
17 and Women-Owned Business Enterprise Procurement Program for
18 construction contracts, and Chapter 2-92-420 et. seq. of the
19 Chicago Municipal Code, as now or hereafter amended,
20 renumbered, or succeeded, concerning a Minority-Owned and
21 Women-Owned Business Enterprise Procurement Program to
22 determine the status of a firm as a Minority Business
23 Enterprise for city procurement purposes.

24 (b) The Authority is authorized to enter into agreements
25 with contractors' associations, labor unions, and the

1 contractors working on the development of the casino to
2 establish an apprenticeship preparedness training program to
3 provide for an increase in the number of minority and female
4 journeymen and apprentices in the building trades and to enter
5 into agreements with community college districts or other
6 public or private institutions to provide readiness training.
7 The Authority is further authorized to enter into contracts
8 with public and private educational institutions and persons in
9 the gaming, entertainment, hospitality, and tourism industries
10 to provide training for employment in those industries.

11 ARTICLE 5.

12 Section 5-1. Short title. This Article may be cited as the
13 Illinois Casino Development Authority Act.

14 Section 5-5. Definitions. As used in this Act:

15 "Casino" means one temporary land-based facility and a
16 permanent land-based facility.

17 "Casino management contract" means a legally binding
18 agreement between the State Authority and a State casino
19 operator licensee to operate or manage a casino.

20 "Executive director" means the person appointed by the
21 State Board to oversee the daily operations of the State
22 Authority.

23 "Gaming Board" means the Illinois Gaming Board created by

1 the Illinois Gambling Act.

2 "State" means the State of Illinois.

3 "State Authority" means the Illinois Casino Development
4 Authority created by this Act.

5 "State Board" means the board appointed pursuant to this
6 Act to govern and control the State Authority.

7 "State casino operator licensee" means any person or entity
8 selected by the State Authority and approved and licensed by
9 the Gaming Board to manage and operate a casino within the
10 State of Illinois pursuant to a casino management contract.

11 Section 5-12. Creation of the State Authority. After the 5
12 members of the Illinois Gaming Board are appointed and
13 qualified pursuant to this amendatory Act of the 95th General
14 Assembly, if the Gaming Board determines pursuant to subsection
15 (h) of Section 5 of the Illinois Gambling Act that public
16 ownership of the casino license issued pursuant to Section
17 7.11a of the Illinois Gambling Act is in the best interest of
18 the State, there is hereby created a political subdivision,
19 unit of State government with only the powers authorized by
20 law, and body politic, by the name and style of the Illinois
21 Casino Development Authority.

22 Section 5-13. Duties of the State Authority. It shall be
23 the duty of the State Authority, as a casino licensee under the
24 Illinois Gambling Act, to promote, operate, and maintain a

1 casino in the State. The State Authority shall construct,
2 equip, and maintain grounds, buildings, and facilities for that
3 purpose. The State Authority has the right to contract with a
4 casino operator licensee and other third parties in order to
5 fulfill its purpose. The State Authority is granted all rights
6 and powers necessary to perform such duties.

7 Section 5-15. State Board.

8 (a) The governing and administrative powers of the State
9 Authority shall be vested in a body known as the State Casino
10 Development Board. The State Board shall consist of 3 members
11 nominated by the Governor pursuant to nominations provided by
12 the Nomination Panel created under the Illinois Gambling Act in
13 the manner set forth in Section 5.3 of that Act with the advice
14 and consent of the Senate. All appointees shall be subject to a
15 background investigation and approval by the Gaming Board. One
16 of these members shall be designated by the Governor to serve
17 as chairperson. All of the members appointed by the Governor
18 shall be residents of Illinois.

19 (b) State Board members shall be entitled to reimbursement
20 of reasonable expenses incurred in the performance of their
21 official duties.

22 Section 5-20. Terms of appointments; resignation and
23 removal.

24 (a) The Governor shall appoint one member of the State

1 Board for an initial term expiring July 1 of the year following
2 approval by the Gaming Board, one member for an initial term
3 expiring July 1 three years following approval by the Gaming
4 Board, and one member for an initial term expiring July 1 five
5 years following approval by the Gaming Board.

6 (b) All successors shall hold office for a term of 5 years
7 from the first day of July of the year in which they are
8 appointed, except in the case of an appointment to fill a
9 vacancy. Each member, including the chairperson, shall hold
10 office until the expiration of his or her term and until his or
11 her successor is appointed and qualified. Nothing shall
12 preclude a member from serving consecutive terms. Any member
13 may resign from office, to take effect when a successor has
14 been appointed and qualified. A vacancy in office shall occur
15 in the case of a member's death or indictment, conviction, or
16 plea of guilty to a felony. A vacancy shall be filled for the
17 unexpired term by the Governor with the approval of the Gaming
18 Board.

19 (c) The Governor or the Gaming Board may remove any member
20 of the State Board upon a finding of incompetence, neglect of
21 duty, or misfeasance or malfeasance in office or for a
22 violation of this Act. The Gaming Board may remove any member
23 of the State Board for any violation of the Illinois Gambling
24 Act or the rules and regulations of the Gaming Board.

25 Section 5-25. Organization of State Board; meetings. After

1 appointment by the Governor and approval of the Gaming Board,
2 the State Board shall organize for the transaction of business.
3 The State Board shall prescribe the time and place for
4 meetings, the manner in which special meetings may be called,
5 and the notice that must be given to members. All actions and
6 meetings of the State Board shall be subject to the provisions
7 of the Open Meetings Act. Two members of the State Board shall
8 constitute a quorum. All substantive action of the State Board
9 shall be by resolution with an affirmative vote of a majority
10 of the members.

11 Section 5-30. Executive director; officers.

12 (a) The State Board shall appoint an executive director,
13 subject to completion of a background investigation and
14 approval by the Gaming Board, who shall be the chief executive
15 officer of the State Authority. The State Board shall fix the
16 compensation of the executive director. Subject to the general
17 control of the State Board, the executive director shall be
18 responsible for the management of the business, properties, and
19 employees of the State Authority. The executive director shall
20 direct the enforcement of all resolutions, rules, and
21 regulations of the State Board, and shall perform such other
22 duties as may be prescribed from time to time by the State
23 Board. All employees and independent contractors, consultants,
24 engineers, architects, accountants, attorneys, financial
25 experts, construction experts and personnel, superintendents,

1 managers, and other personnel appointed or employed pursuant to
2 this Act shall report to the executive director. In addition to
3 any other duties set forth in this Act, the executive director
4 shall do all of the following:

5 (1) Direct and supervise the administrative affairs
6 and activities of the State Authority in accordance with
7 its rules, regulations, and policies.

8 (2) Attend meetings of the State Board.

9 (3) Keep minutes of all proceedings of the State Board.

10 (4) Approve all accounts for salaries, per diem
11 payments, and allowable expenses of the State Board and its
12 employees and consultants.

13 (5) Report and make recommendations to the State Board
14 concerning the terms and conditions of any casino
15 management contract.

16 (6) Perform any other duty that the State Board
17 requires for carrying out the provisions of this Act.

18 (7) Devote his or her full time to the duties of the
19 office and not hold any other office or employment.

20 (b) The State Board may select a secretary-treasurer to
21 hold office at the pleasure of the State Board. The State Board
22 shall fix the duties of such officer.

23 Section 5-31. General rights and powers of the State
24 Authority. In addition to the duties and powers set forth in
25 this Act, the State Authority shall have the following rights

1 and powers:

2 (1) Adopt and alter an official seal.

3 (2) Establish and change its fiscal year.

4 (3) Sue and be sued, plead and be impleaded, all in its
5 own name, and agree to binding arbitration of any dispute
6 to which it is a party.

7 (4) Adopt, amend, and repeal by-laws, rules, and
8 regulations consistent with the furtherance of the powers
9 and duties provided for.

10 (5) Maintain its principal office within the State and
11 such other offices as the State Board may designate.

12 (6) Select locations for a temporary and a permanent
13 casino, subject to final approval by the Gaming Board.

14 (7) Conduct background investigations of potential
15 State casino operator licenses, including its principals
16 or shareholders, and State Authority staff. The State
17 Authority may request the assistance of the Office of
18 Gaming Enforcement.

19 (8) Employ, either as regular employees or independent
20 contractors, consultants, engineers, architects,
21 accountants, attorneys, financial experts, construction
22 experts and personnel, superintendents, managers and other
23 professional personnel, and such other personnel as may be
24 necessary in the judgment of the State Board, and fix their
25 compensation.

26 (9) Own, acquire, construct, equip, lease, operate,

1 and maintain grounds, buildings, and facilities to carry
2 out its corporate purposes and duties.

3 (10) Enter into, revoke, and modify contracts, subject
4 to final approval of the Gaming Board.

5 (11) Enter into a casino management contract subject to
6 the final approval of the Gaming Board.

7 (12) Develop, or cause to be developed by a third
8 party, a master plan for the design, planning, and
9 development of a casino.

10 (13) Negotiate and enter into intergovernmental
11 agreements with the State and its agencies and units of
12 local government, in furtherance of the powers and duties
13 of the State Board. However, the State Authority may not
14 enter into an agreement with the State Police.

15 (14) Receive and disburse funds for its own corporate
16 purposes or as otherwise specified in this Act.

17 (15) Borrow money from any source, public or private,
18 for any corporate purpose, including, without limitation,
19 working capital for its operations, reserve funds, or
20 payment of interest, and to mortgage, pledge, or otherwise
21 encumber the property or funds of the State Authority and
22 to contract with or engage the services of any person in
23 connection with any financing, including financial
24 institutions, issuers of letters of credit, or insurers and
25 enter into reimbursement agreements with this person or
26 entity which may be secured as if money were borrowed from

1 the person or entity.

2 (16) Issue bonds as provided for under this Act.

3 (17) Receive and accept from any source, private or
4 public, contributions, gifts, or grants of money or
5 property to the State Authority.

6 (18) Provide for the insurance of any property,
7 operations, officers, members, agents, or employees of the
8 State Authority against any risk or hazard, to self-insure
9 or participate in joint self-insurance pools or entities to
10 insure against such risk or hazard, and to provide for the
11 indemnification of its officers, members, employees,
12 contractors, or agents against any and all risks.

13 (19) Exercise all the corporate powers granted
14 Illinois corporations under the Business Corporation Act
15 of 1983, except to the extent that powers are inconsistent
16 with those of a body politic and corporate of the State.

17 (20) Do all things necessary or convenient to carry out
18 the powers granted by this Act.

19 Section 5-32. Ethical conduct.

20 (a) State Board members and employees of the State
21 Authority must carry out their duties and responsibilities in
22 such a manner as to promote and preserve public trust and
23 confidence in the integrity and conduct of gaming.

24 (b) Except as may be required in the conduct of official
25 duties, State Board members and employees of the State

1 Authority shall not engage in gambling on any riverboat, in any
2 casino, or in an electronic gaming facility licensed by the
3 Illinois Gaming Board or engage in legalized gambling in any
4 establishment identified by State Board action that, in the
5 judgment of the State Board, could represent a potential for a
6 conflict of interest.

7 (c) A State Board member or employee of the State Authority
8 shall not use or attempt to use his or her official position to
9 secure or attempt to secure any privilege, advantage, favor, or
10 influence for himself or herself or others.

11 (d) State Board members and employees of the State
12 Authority shall not hold or pursue employment, office,
13 position, business, or occupation that may conflict with his or
14 her official duties. Employees may engage in other gainful
15 employment so long as that employment does not interfere or
16 conflict with their duties. Such employment must be disclosed
17 to the Executive Director and approved by the State Board.

18 (e) State Board members and employees of the State
19 Authority may not engage in employment, communications, or any
20 activity that may be deemed a conflict of interest. This
21 prohibition shall extend to any act identified by State Board
22 action or Gaming Board action that, in the judgment of the
23 either entity, could represent the potential for or the
24 appearance of a conflict of interest.

25 (f) State Board members and employees of the State
26 Authority may not have a financial interest, directly or

1 indirectly, in his or her own name or in the name of any other
2 person, partnership, association, trust, corporation, or other
3 entity in any contract or subcontract for the performance of
4 any work for the State Authority. This prohibition shall extend
5 to the holding or acquisition of an interest in any entity
6 identified by State Board action or Gaming Board action that,
7 in the judgment of the either entity, could represent the
8 potential for or the appearance of a financial interest. The
9 holding or acquisition of an interest in such entities through
10 an indirect means, such as through a mutual fund, shall not be
11 prohibited, except that the Gaming Board may identify specific
12 investments or funds that, in its judgment, are so influenced
13 by gaming holdings as to represent the potential for or the
14 appearance of a conflict of interest.

15 (g) State Board members and employees of the State
16 Authority may not accept any gift, gratuity, service,
17 compensation, travel, lodging, or thing of value, with the
18 exception of unsolicited items of an incidental nature, from
19 any person, corporation, or entity doing business with the
20 State Authority.

21 (h) No State Board member or employee of the State
22 Authority may, within a period of 2 years immediately after
23 termination of employment, knowingly accept employment or
24 receive compensation or fees for services from a person or
25 entity, or its parent or affiliate, that has engaged in
26 business with the State Authority that resulted in contracts

1 with an aggregate value of at least \$25,000 or if that State
2 Board member or employee has made a decision that directly
3 applied to the person or entity, or its parent or affiliate.

4 (i) A spouse, child, or parent of a State Board member or
5 employee of the State Authority may not have a financial
6 interest, directly or indirectly, in his or her own name or in
7 the name of any other person, partnership, association, trust,
8 corporation, or other entity in any contract or subcontract for
9 the performance of any work for the State Authority. This
10 prohibition shall extend to the holding or acquisition of an
11 interest in any entity identified by State Board action or
12 Gaming Board action that, in the judgment of the either entity,
13 could represent the potential for or the appearance of a
14 conflict of interest. The holding or acquisition of an interest
15 in such entities through an indirect means, such as through a
16 mutual fund, shall not be prohibited, except that the Gaming
17 Board may identify specific investments or funds that, in its
18 judgment, are so influenced by gaming holdings as to represent
19 the potential for or the appearance of a conflict of interest.

20 (j) A spouse, child, or parent of a State Board member or
21 employee of the State Authority may not accept any gift,
22 gratuity, service, compensation, travel, lodging, or thing of
23 value, with the exception of unsolicited items of an incidental
24 nature, from any person, corporation, or entity doing business
25 with the State Authority.

26 (k) A spouse, child, or parent of a State Board member or

1 employee of the State Authority may not, within a period of 2
2 years immediately after termination of employment, knowingly
3 accept employment or receive compensation or fees for services
4 from a person or entity, or its parent or affiliate, that has
5 engaged in business with the State Authority that resulted in
6 contracts with an aggregate value of at least \$25,000 or if
7 that State Board member or employee has made a decision that
8 directly applied to the person or entity, or its parent or
9 affiliate.

10 (l) No State Board member or employee of the State
11 Authority may attempt, in any way, to influence any person or
12 corporation doing business with the State Authority or any
13 officer, agent, or employee thereof to hire or contract with
14 any person or corporation for any compensated work.

15 (m) Any communication between a State, county, or municipal
16 elected official and any applicant for or party to a State
17 casino management contract with the State Authority, or an
18 officer, director, or employee thereof, concerning any manner
19 relating in any way to gaming or the State Authority shall be
20 disclosed to the State Board and the Gaming Board. Such
21 disclosure shall be in writing by the official within 30 days
22 of the communication and shall be filed with the State Board.
23 Disclosure must consist of the date of the communication, the
24 identity and job title of the person with whom the
25 communication was made, a brief summary of the communication,
26 the action requested or recommended, all responses made, the

1 identity and job title of the person making the response, and
2 any other pertinent information.

3 (n) Any State Board member or employee of the State
4 Authority who violates any provision of this Section is guilty
5 of a Class 4 felony.

6 Section 5-45. Casino management contracts.

7 (a) The State Board shall develop and administer a
8 competitive sealed bidding process for the selection of a
9 potential State casino operator licensee to develop or operate
10 a casino within the State. The State Board shall issue one or
11 more requests for proposals. The State Board may establish
12 minimum financial and investment requirements to determine the
13 eligibility of persons to respond to the State Board's requests
14 for proposal, and may establish and consider such other
15 criteria as it deems appropriate. The State Board may impose a
16 fee upon persons who respond to requests for proposal, in order
17 to reimburse the State Board for its costs in preparing and
18 issuing the requests and reviewing the proposals.

19 (b) Within 5 days after the time limit for submitting bids
20 and proposals has passed, the State Board shall make all bids
21 and proposals public. Thereafter, the State Board shall
22 evaluate the responses to its requests for proposal and the
23 ability of all persons or entities responding to its request
24 for proposal to meet the requirements of this Act and to
25 undertake and perform the obligations set forth in its requests

1 for proposal.

2 (c) After reviewing proposals and subject to Gaming Board
3 approval, the State Board shall enter into a casino management
4 contract authorizing the development, construction, or
5 operation of a casino. Validity of the casino management
6 contract is contingent upon the issuance of a State casino
7 operator license to the successful bidder. If the Gaming Board
8 approves the contract and grants a State casino operator
9 license, the State Board shall transmit a copy of the executed
10 casino management contract to the Gaming Board.

11 (d) After the State Authority has been issued a casino
12 license, the Gaming Board has issued a State casino operator
13 license, and the Gaming Board has approved the location of a
14 temporary facility, the State Authority may conduct gaming
15 operations at a temporary facility for no longer than 12 months
16 after gaming operations begin. The Gaming Board may, after
17 holding a public hearing, grant an extension so long as a
18 permanent facility is not operational and the State Authority
19 is working in good faith to complete the permanent facility.
20 The Gaming Board may grant additional extensions following a
21 public hearing. Each extension may be for a period of no longer
22 than 6 months.

23 (e) All amounts received as an upfront fee by the State
24 Authority pursuant to a bid for a casino management contract or
25 an executed State casino management contract must be deposited
26 into the Illinois Works Fund pursuant to Section 7.11a of the

1 Illinois Gambling Act.

2 Section 5-50. Transfer of funds. All revenues received by
3 the State Authority shall be deposited into the Illinois Casino
4 Development Authority Fund. Other than amounts required to be
5 paid pursuant to the Illinois Gambling Act and amounts required
6 to pay the operating expenses of the State Authority, to pay
7 amounts due the State casino operator licensee pursuant to a
8 casino management contract, to repay any borrowing of the State
9 Authority, to pay debt service on any bonds issued, and to pay
10 any expenses in connection with the issuance of such bonds or
11 derivative products, all remaining moneys in the Illinois
12 Casino Development Fund shall be transferred from time to time
13 into the Illinois Works Debt Service Fund.

14 Section 5-60. Auditor General.

15 (a) Prior to the issuance of bonds under this Act, the
16 State Authority shall submit to the Auditor General a
17 certification that:

18 (1) it is legally authorized to issue bonds;

19 (2) scheduled annual payments of principal and
20 interest on the bonds to be issued meet the requirements of
21 Section 1-75 of this Act;

22 (3) no bond shall mature later than 30 years; and

23 (4) after payment of costs of issuance and necessary
24 deposits to funds and accounts established with respect to

1 debt service on the bonds, the net bond proceeds (exclusive
2 of any proceeds to be used to refund outstanding bonds)
3 will be used only for the purposes set forth in this Act.

4 The State Authority also shall submit to the Auditor
5 General its projections on revenues to be generated and pledged
6 to repayment of the bonds as scheduled and such other
7 information as the Auditor General may reasonably request.

8 The Auditor General shall examine the certifications and
9 information submitted and submit a report to the State
10 Authority and the Gaming Board indicating whether the required
11 certifications, projections, and other information have been
12 submitted by the State Authority and that the assumptions
13 underlying the projections are not unreasonable in the
14 aggregate. The Auditor General shall submit the report no later
15 than 60 days after receiving the information required to be
16 submitted by the State Authority.

17 The State Authority shall not issue bonds until it receives
18 the report from the Auditor General indicating the requirements
19 of this Section have been met. The Auditor General's report
20 shall not be in the nature of a post-audit or examination and
21 shall not lead to the issuance of an opinion, as that term is
22 defined in generally accepted government auditing standards.
23 The Auditor General shall submit a bill to the State Authority
24 for costs associated with the examinations and report required
25 under this Section. The State Authority shall reimburse in a
26 timely manner.

1 (b) The Auditor General has the authority and is required
2 to conduct a financial and management audit of the State
3 Authority every 2 years. The Auditor General shall also conduct
4 one post-construction and financing audit of the casino after
5 it is completed and in operation. The Auditor General's audits
6 must be posted on his or her Internet website. The Auditor
7 General shall submit a bill to the State Authority for costs
8 associated with the audits required under this Section. The
9 State Authority shall reimburse in a timely manner.

10 Section 5-62. Advisory committee. An Advisory Committee is
11 established to monitor, review, and report on (1) the State
12 Authority's utilization of minority-owned business enterprises
13 and female-owned business enterprises, (2) employment of
14 females, and (3) employment of minority persons with regard to
15 the development and construction of the casino as authorized
16 under Section 7.11a of the Illinois Gambling Act. The State
17 Authority shall work with the Advisory Committee in
18 accumulating necessary information for the Committee to submit
19 reports, as necessary, to the General Assembly and to the
20 Governor.

21 The Committee shall consist of 15 members as provided in
22 this Section. Seven members shall be selected by the Governor;
23 2 members shall be selected by the President of the Illinois
24 Senate; 2 members shall be selected by the Speaker of the House
25 of Representatives; 2 members shall be selected by the Minority

1 Leader of the Senate; and 2 members shall be selected by the
2 Minority Leader of the House of Representatives. The Advisory
3 Committee shall meet periodically and shall report the
4 information to the Governor and to the General Assembly by
5 December 31st of every year.

6 The Advisory Committee shall be dissolved on the date that
7 casino gambling operations are first conducted under the
8 license authorized under Section 7.11a of the Illinois Gambling
9 Act, other than at a temporary facility.

10 For the purposes of this Section, the terms "female" and
11 "minority person" have the meanings provided in Section 2 of
12 the Business Enterprise for Minorities, Females, and Persons
13 with Disabilities Act.

14 Section 5-65. Acquisition of property; eminent domain
15 proceedings. For the lawful purposes of this Act, the State
16 Authority may acquire by eminent domain or by condemnation
17 proceedings in the manner provided by the Eminent Domain Act,
18 real or personal property or interests in real or personal
19 property located in the State. The acquisition of property
20 under this Section is declared to be for a public use.

21 Section 5-70. Local regulation. The casino facilities and
22 operations therein shall be subject to all ordinances and
23 regulations of the municipality in which the casino is located.
24 The construction, development, and operation of the casino

1 shall comply with all ordinances, regulations, rules, and
2 controls of the city in which the casino is located, including
3 but not limited to those relating to zoning and planned
4 development, building, fire prevention, and land use. However,
5 the regulation of gaming operations is subject to the exclusive
6 jurisdiction of the Gaming Board.

7 Section 5-75. Borrowing.

8 (a) The State Authority may borrow money and issue bonds as
9 provided in this Section. Bonds of the State Authority may be
10 issued to provide funds for land acquisition, site assembly and
11 preparation, and the design and construction of the casino, as
12 defined in the Illinois Gambling Act, all ancillary and related
13 facilities comprising the casino complex, and all on-site and
14 off-site infrastructure improvements required in connection
15 with the development of the casino; to refund (at the time or
16 in advance of any maturity or redemption) or redeem any bonds
17 of the State Authority; to provide or increase a debt service
18 reserve fund or other reserves with respect to any or all of
19 its bonds; or to pay the legal, financial, administrative, bond
20 insurance, credit enhancement, and other legal expenses of the
21 authorization, issuance, or delivery of bonds. In this Act, the
22 term "bonds" also includes notes of any kind, interim
23 certificates, refunding bonds, or any other evidence of
24 obligation for borrowed money issued under this Section. Bonds
25 may be issued in one or more series and may be payable and

1 secured either on a parity with or separately from other bonds.

2 (b) The bonds of the State Authority shall be payable from
3 one or more of the following sources: (i) the property or
4 revenues of the State Authority; (ii) revenues derived from the
5 casino; (iii) revenues derived from any State casino operator
6 licensee; (iv) fees, bid proceeds, charges, lease payments,
7 payments required pursuant to any casino management contract or
8 other revenues payable to the State Authority, or any receipts
9 of the State Authority; (v) payments by financial institutions,
10 insurance companies, or others pursuant to letters or lines of
11 credit, policies of insurance, or purchase agreements; (vi)
12 investment earnings from funds or accounts maintained pursuant
13 to a bond resolution or trust indenture; (vii) proceeds of
14 refunding bonds; and (viii) any payments by any State casino
15 operator licensee or others pursuant to any guaranty agreement.

16 (c) Bonds shall be authorized by a resolution of the State
17 Board and may be secured by a trust indenture by and between
18 the State Board and a corporate trustee or trustees, which may
19 be any trust company or bank having the powers of a trust
20 company within or without the State. Bonds shall meet the
21 following requirements:

22 (1) Bonds shall bear interest at a rate not to exceed
23 the maximum rate authorized by the Bond Authorization Act.

24 (2) Bonds issued pursuant to this Section must be
25 issued with principal or mandatory redemption amounts in
26 equal amounts, with the first maturity issued occurring

1 within the fiscal year in which the bonds are issued or
2 within the next succeeding fiscal year, and with bonds
3 maturing or subject to mandatory redemption each fiscal
4 year thereafter up to 30 years.

5 (3) At least 25%, based on total principal amount, of
6 all bonds issued pursuant to this Section shall be sold
7 pursuant to notice of sale and public bid. No more than
8 75%, based on total principal amount, of all bonds issued
9 pursuant to this Section shall be sold by negotiated sale.

10 (4) Bonds shall be payable at a time or times, in the
11 denominations and form, including book entry form, either
12 coupon, registered, or both, and carry the registration and
13 privileges as to exchange, transfer or conversion, and
14 replacement of mutilated, lost, or destroyed bonds as the
15 resolution or trust indenture may provide.

16 (5) Bonds shall be payable in lawful money of the
17 United States at a designated place.

18 (6) Bonds shall be subject to the terms of purchase,
19 payment, redemption, refunding, or refinancing that the
20 resolution or trust indenture provides.

21 (7) Bonds shall be executed by the manual or facsimile
22 signatures of the officers of the State Authority
23 designated by the State Board, which signatures shall be
24 valid at delivery even for one who has ceased to hold
25 office.

26 (8) Bonds shall be sold at public or private sale in

1 the manner and upon the terms determined by the State
2 Authority.

3 (d) The State Authority shall adopt a procurement program
4 with respect to contracts relating to underwriters, bond
5 counsel, financial advisors, and accountants. The program
6 shall include goals for the payment of not less than 30% of the
7 total dollar value of the fees from these contracts to minority
8 owned businesses and female owned businesses as defined in the
9 Business Enterprise for Minorities, Females, and Persons with
10 Disabilities Act. The State Authority shall conduct outreach to
11 minority owned businesses and female owned businesses.
12 Outreach shall include, but is not limited to, advertisements
13 in periodicals and newspapers, mailings, and other appropriate
14 media. The State Authority shall submit to the General Assembly
15 a comprehensive report that shall include, at a minimum, the
16 details of the procurement plan, outreach efforts, and the
17 results of the efforts to achieve goals for the payment of
18 fees.

19 (e) Subject to the Illinois Gambling Act and rules of the
20 Gaming Board regarding pledging of interests in holders of
21 owners licenses, any resolution or trust indenture may contain
22 provisions that may be a part of the contract with the holders
23 of the bonds as to the following:

24 (1) Pledging, assigning, or directing the use,
25 investment, or disposition of revenues of the State
26 Authority or proceeds or benefits of any contract,

1 including without limitation, any rights in any casino
2 management contract.

3 (2) The setting aside of loan funding deposits, debt
4 service reserves, replacement or operating reserves, cost
5 of issuance accounts and sinking funds, and the regulation,
6 investment, and disposition thereof.

7 (3) Limitations on the purposes to which or the
8 investments in which the proceeds of sale of any issue of
9 bonds or the State Authority's revenues and receipts may be
10 applied or made.

11 (4) Limitations on the issue of additional bonds, the
12 terms upon which additional bonds may be issued and
13 secured, the terms upon which additional bonds may rank on
14 a parity with, or be subordinate or superior to, other
15 bonds.

16 (5) The refunding, advance refunding, or refinancing
17 of outstanding bonds.

18 (6) The procedure, if any, by which the terms of any
19 contract with bondholders may be altered or amended and the
20 amount of bonds and holders of which must consent thereto
21 and the manner in which consent shall be given.

22 (7) Defining the acts or omissions which shall
23 constitute a default in the duties of the State Authority
24 to holders of bonds and providing the rights or remedies of
25 such holders in the event of a default, which may include
26 provisions restricting individual rights of action by

1 bondholders.

2 (8) Providing for guarantees, pledges of property,
3 letters of credit, or other security, or insurance for the
4 benefit of bondholders.

5 (f) No member of the State Board, nor any person executing
6 the bonds, shall be liable personally on the bonds or subject
7 to any personal liability by reason of the issuance of the
8 bonds.

9 (g) The State Authority may issue and secure bonds in
10 accordance with the provisions of the Local Government Credit
11 Enhancement Act.

12 (h) A pledge by the State Authority of revenues and
13 receipts as security for an issue of bonds or for the
14 performance of its obligations under any casino management
15 contract shall be valid and binding from the time when the
16 pledge is made. The revenues and receipts pledged shall
17 immediately be subject to the lien of the pledge without any
18 physical delivery or further act, and the lien of any pledge
19 shall be valid and binding against any person having any claim
20 of any kind in tort, contract, or otherwise against the State
21 Authority, irrespective of whether the person has notice. No
22 resolution, trust indenture, management agreement or financing
23 statement, continuation statement, or other instrument adopted
24 or entered into by the State Authority need be filed or
25 recorded in any public record other than the records of the
26 State Authority in order to perfect the lien against third

1 persons, regardless of any contrary provision of law.

2 (i) Bonds that are being paid or retired by issuance, sale,
3 or delivery of bonds, and bonds for which sufficient funds have
4 been deposited with the paying agent or trustee to provide for
5 payment of principal and interest thereon, and any redemption
6 premium, as provided in the authorizing resolution, shall not
7 be considered outstanding for the purposes of this subsection.

8 (j) The bonds of the State Authority shall not be
9 indebtedness of the State. The bonds of the State Authority are
10 not general obligations of the State and are not secured by a
11 pledge of the full faith and credit of the State and the
12 holders of bonds of the State Authority may not require, except
13 as provided in this Act, the application of State revenues or
14 funds to the payment of bonds of the State Authority.

15 (k) The State of Illinois pledges and agrees with the
16 owners of the bonds that it will not limit or alter the rights
17 and powers vested in the State Authority by this Act so as to
18 impair the terms of any contract made by the State Authority
19 with the owners or in any way impair the rights and remedies of
20 the owners until the bonds, together with interest on them, and
21 all costs and expenses in connection with any action or
22 proceedings by or on behalf of the owners, are fully met and
23 discharged. The State Authority is authorized to include this
24 pledge and agreement in any contract with the owners of bonds
25 issued under this Section.

26 (l) No person holding an elective office in this State,

1 holding a seat in the General Assembly, or serving as a board
2 member, trustee, officer, or employee of the State Authority,
3 including the spouse of that person, may receive a legal,
4 banking, consulting, or other fee related to the issuance of
5 bonds.

6 Section 5-85. Derivative products. With respect to all or
7 part of any issue of its bonds, the State Authority may enter
8 into agreements or contracts with any necessary or appropriate
9 person, which will have the benefit of providing to the State
10 Authority an interest rate basis, cash flow basis, or other
11 basis different from that provided in the bonds for the payment
12 of interest. Such agreements or contracts may include, without
13 limitation, agreements or contracts commonly known as
14 "interest rate swap agreements", "forward payment conversion
15 agreements", "futures", "options", "puts", or "calls" and
16 agreements or contracts providing for payments based on levels
17 of or changes in interest rates, agreements or contracts to
18 exchange cash flows or a series of payments, or to hedge
19 payment, rate spread, or similar exposure.

20 Section 5-90. Legality for investment. The State of
21 Illinois, all governmental entities, all public officers,
22 banks, bankers, trust companies, savings banks and
23 institutions, building and loan associations, savings and loan
24 associations, investment companies, and other persons carrying

1 on a banking business, insurance companies, insurance
2 associations, and other persons carrying on an insurance
3 business, and all executors, administrators, guardians,
4 trustees, and other fiduciaries may legally invest any sinking
5 funds, moneys, or other funds belonging to them or within their
6 control in any bonds issued under this Act. However, nothing in
7 this Section shall be construed as relieving any person, firm,
8 or corporation from any duty of exercising reasonable care in
9 selecting securities for purchase or investment.

10 Section 5-95. Tax exemption. The State Authority and all of
11 its operations and property used for public purposes shall be
12 exempt from all taxation of any kind imposed by the State of
13 Illinois or any political subdivision, school district,
14 municipal corporation, or unit of local government of the State
15 of Illinois. However, nothing in this Act prohibits the
16 imposition of any other taxes where such imposition is not
17 prohibited by Section 21 of the Illinois Gambling Act.

18 Section 5-105. Budgets and reporting.

19 (a) The State Board shall annually adopt a budget for each
20 fiscal year. The budget may be modified from time to time in
21 the same manner and upon the same vote as it may be adopted.
22 The budget shall include the State Authority's available funds
23 and estimated revenues and shall provide for payment of its
24 obligations and estimated expenditures for the fiscal year,

1 including, without limitation, expenditures for
2 administration, operation, maintenance and repairs, debt
3 service, and deposits into reserve and other funds and capital
4 projects.

5 (b) The State Board shall annually cause the finances of
6 the State Authority to be audited by a firm of certified public
7 accountants and post the firm's audits of the State Authority
8 on the State Authority's Internet website.

9 (c) The State Board shall, for each fiscal year, prepare an
10 annual report setting forth information concerning its
11 activities in the fiscal year and the status of the development
12 of the casino. The annual report shall include the audited
13 financial statements of the State Authority for the fiscal
14 year, the budget for the succeeding fiscal year, and the
15 current capital plan as of the date of the report. Copies of
16 the annual report shall be made available to persons who
17 request them and shall be submitted not later than 120 days
18 after the end of the State Authority's fiscal year to the
19 Governor, the General Assembly, and the Commission on
20 Government Forecasting and Accountability.

21 Section 5-110. Deposit and withdrawal of funds.

22 (a) All funds deposited by the State Authority in any bank
23 or savings and loan association shall be placed in the name of
24 the State Authority and shall be withdrawn or paid out only by
25 check or draft upon the bank or savings and loan association,

1 signed by 2 officers or employees designated by the State
2 Board. Notwithstanding any other provision of this Section, the
3 State Board may designate any of its members or any officer or
4 employee of the State Authority to authorize the wire transfer
5 of funds deposited by the secretary-treasurer of funds in a
6 bank or savings and loan association for the payment of payroll
7 and employee benefits-related expenses.

8 No bank or savings and loan association shall receive
9 public funds as permitted by this Section unless it has
10 complied with the requirements established pursuant to Section
11 6 of the Public Funds Investment Act.

12 (b) If any officer or employee whose signature appears upon
13 any check or draft issued pursuant to this Act ceases (after
14 attaching his signature) to hold his or her office before the
15 delivery of such a check or draft to the payee, his or her
16 signature shall nevertheless be valid and sufficient for all
17 purposes with the same effect as if he or she had remained in
18 office until delivery thereof.

19 Section 5-112. Contracts with the State Authority or State
20 casino operator licensee; disclosure requirements.

21 (a) A bidder, respondent, offeror, or contractor must
22 disclose the names of all officers and directors. A bidder,
23 respondent, or offeror, or contractor for contracts with the
24 State Authority or State casino operator licensee shall
25 disclose the identity of every owner, beneficiary, or person

1 with beneficial interest of more than 1%, or shareholder
2 entitled to receive more than 1% of the total distributable
3 income of any corporation, having any interest in the contract
4 in the bidder, respondent, offeror, or contractor. The
5 disclosure shall be in writing and attested to by an owner,
6 trustee, corporate official, or agent. If stock in a
7 corporation is publicly traded and there is no readily known
8 individual having greater than a 1% interest, then a statement
9 to that effect attested to by an officer or agent of the
10 corporation or shall fulfill the disclosure statement
11 requirement of this Section. A bidder, respondent, offeror, or
12 contractor shall notify the State Authority of any changes in
13 officers, directors, ownership, or individuals having a
14 beneficial interest of more than 1%.

15 (b) A bidder, respondent, offeror, or contractor for
16 contracts with an annual value of \$10,000 or for a period to
17 exceed one year shall disclose all political contributions of
18 the bidder, respondent, offeror, or contractor and any
19 affiliated person or entity. Disclosure shall include at least
20 the names and addresses of the contributors and the dollar
21 amounts of any contributions to any political committee made
22 within the previous 2 years. The disclosure must be submitted
23 to the Gaming Board with a copy of the contract prior to Gaming
24 Board approval of the contract. The Gaming Board shall refuse
25 to approve any contract that does not include the required
26 disclosure.

1 (c) As used in this Section:

2 "Contribution" means contribution as defined in Section
3 9-1.4 of the Election Code.

4 "Affiliated person" means (i) any person with any ownership
5 interest or distributive share of the bidding, responding, or
6 contracting entity in excess of 1%, (ii) executive employees of
7 the bidding, responding, or contracting entity, and (iii) the
8 spouse and minor children of any such persons.

9 "Affiliated entity" means (i) any parent or subsidiary of
10 the bidding or contracting entity, (ii) any member of the same
11 unitary business group, or (iii) any political committee for
12 which the bidding, responding, or contracting entity is the
13 sponsoring entity.

14 (d) The Gaming Board may direct the State Authority or a
15 State casino operator licensee to void a contract if a
16 violation of this Section occurs. The State Authority may
17 direct a State casino operator licensee to void a contract if a
18 violation of this Section occurs.

19 Section 5-115. Purchasing.

20 (a) All construction contracts and contracts for supplies,
21 materials, equipment, and services, when the cost thereof to
22 the State Authority exceeds \$25,000, shall be let by a
23 competitive selection process to the lowest responsible
24 proposer, after advertising for proposals, except for the
25 following:

1 (1) When repair parts, accessories, equipment, or
2 services are required for equipment or services previously
3 furnished or contracted for;

4 (2) Professional services;

5 (3) When services such as water, light, heat, power,
6 telephone (other than long-distance service), or telegraph
7 are required;

8 (4) When contracts for the use, purchase, delivery,
9 movement, or installation of data processing equipment,
10 software, or services and telecommunications equipment,
11 software, and services are required;

12 (5) Casino management contracts, which shall be
13 awarded as set forth in Section 1-45 of this Act.

14 (b) All contracts involving less than \$25,000 shall be let
15 by competitive selection process whenever possible, and in any
16 event in a manner calculated to ensure the best interests of
17 the public.

18 (c) In determining the responsibility of any proposer, the
19 State Authority may take into account the proposer's (or an
20 individual having a beneficial interest, directly or
21 indirectly, of more than 1% in such proposing entity) past
22 record of dealings with the State Authority, the proposer's
23 experience, adequacy of equipment, and ability to complete
24 performance within the time set, and other factors besides
25 financial responsibility. No such contract shall be awarded to
26 any proposer other than the lowest proposer (in case of

1 purchase or expenditure) unless authorized or approved by a
2 vote of at least 2 members of the State Board and such action
3 is accompanied by a written statement setting forth the reasons
4 for not awarding the contract to the highest or lowest
5 proposer, as the case may be. The statement shall be kept on
6 file in the principal office of the State Authority and open to
7 public inspection.

8 (d) The State Authority shall have the right to reject all
9 proposals and to re-advertise for proposals. If after any such
10 re-advertisement, no responsible and satisfactory proposals,
11 within the terms of the re-advertisement, is received, the
12 State Authority may award such contract without competitive
13 selection, provided that the Gaming Board must approve the
14 contract prior to its execution. The contract must not be less
15 advantageous to the State Authority than any valid proposal
16 received pursuant to advertisement.

17 (e) Advertisements for proposals and re-proposals shall be
18 published at least once in a daily newspaper of general
19 circulation published in the county in which the principal
20 office of the State Authority is located at least 10 calendar
21 days before the time for receiving proposals, and such
22 advertisements shall also be posted on readily accessible
23 bulletin boards in the principal office of the State Authority.
24 Such advertisements shall state the time and place for
25 receiving and opening of proposals and, by reference to plans
26 and specifications on file at the time of the first publication

1 or in the advertisement itself, shall describe the character of
2 the proposed contract in sufficient detail to fully advise
3 prospective proposers of their obligations and to ensure free
4 and open competitive selection.

5 (f) All proposals in response to advertisements shall be
6 sealed and shall be publicly opened by the State Authority. All
7 proposers shall be entitled to be present in person or by
8 representatives. Cash or a certified or satisfactory cashier's
9 check, as a deposit of good faith, in a reasonable amount to be
10 fixed by the State Authority before advertising for proposals,
11 shall be required with the proposal. A bond for faithful
12 performance of the contract with surety or sureties
13 satisfactory to the State Authority and adequate insurance may
14 be required in reasonable amounts to be fixed by the State
15 Authority before advertising for proposals.

16 (g) The contract shall be awarded as promptly as possible
17 after the opening of proposals. The proposal of the successful
18 proposer, as well as the bids of the unsuccessful proposers,
19 shall be placed on file and be open to public inspection. All
20 proposals shall be void if any disclosure of the terms of any
21 proposals in response to an advertisement is made or permitted
22 to be made by the State Authority before the time fixed for
23 opening proposals.

24 (h) Notice of each and every contract that is offered,
25 including renegotiated contracts and change orders, shall be
26 published in an online bulletin. The online bulletin must

1 include at least the date first offered, the date submission of
2 offers is due, the location that offers are to be submitted to,
3 a brief purchase description, the method of source selection,
4 information of how to obtain a comprehensive purchase
5 description and any disclosure and contract forms, and
6 encouragement to prospective vendors to hire qualified
7 veterans, as defined by Section 45-67 of the Illinois
8 Procurement Code, and Illinois residents discharged from any
9 Illinois adult correctional center. Notice of each and every
10 contract that is let or awarded, including renegotiated
11 contracts and change orders, shall be published in the online
12 bulletin and must include at least all of the information
13 specified in this item (h), as well as the name of the
14 successful responsible proposer or offeror, the contract
15 price, and the number of unsuccessful responsive proposers and
16 any other disclosure specified in this Section. This notice
17 must be posted in the online electronic bulletin prior to
18 execution of the contract.

19 ARTICLE 90.

20 Section 90-1. The State Officials and Employees Ethics Act
21 is amended by changing Sections 5-50, 20-10, and 20-15 as
22 follows:

23 (5 ILCS 430/5-50)

1 Sec. 5-50. Ex parte communications; special government
2 agents.

3 (a) This Section applies to ex parte communications made to
4 any agency listed in subsection (e).

5 (b) "Ex parte communication" means any written or oral
6 communication by any person that imparts or requests material
7 information or makes a material argument regarding potential
8 action concerning regulatory, quasi-adjudicatory, investment,
9 or licensing matters pending before or under consideration by
10 the agency. "Ex parte communication" does not include the
11 following: (i) statements by a person publicly made in a public
12 forum; (ii) statements regarding matters of procedure and
13 practice, such as format, the number of copies required, the
14 manner of filing, and the status of a matter; and (iii)
15 statements made by a State employee of the agency to the agency
16 head or other employees of that agency.

17 (b-5) An ex parte communication received by an agency,
18 agency head, or other agency employee from an interested party
19 or his or her official representative or attorney shall
20 promptly be memorialized and made a part of the record.

21 (c) An ex parte communication received by any agency,
22 agency head, or other agency employee, other than an ex parte
23 communication described in subsection (b-5), shall immediately
24 be reported to that agency's ethics officer by the recipient of
25 the communication and by any other employee of that agency who
26 responds to the communication. The ethics officer shall require

1 that the ex parte communication be promptly made a part of the
2 record. The ethics officer shall promptly file the ex parte
3 communication with the Executive Ethics Commission, including
4 all written communications, all written responses to the
5 communications, and a memorandum prepared by the ethics officer
6 stating the nature and substance of all oral communications,
7 the identity and job title of the person to whom each
8 communication was made, all responses made, the identity and
9 job title of the person making each response, the identity of
10 each person from whom the written or oral ex parte
11 communication was received, the individual or entity
12 represented by that person, any action the person requested or
13 recommended, and any other pertinent information. The
14 disclosure shall also contain the date of any ex parte
15 communication.

16 (d) "Interested party" means a person or entity whose
17 rights, privileges, or interests are the subject of or are
18 directly affected by a regulatory, quasi-adjudicatory,
19 investment, or licensing matter.

20 (e) This Section applies to the following agencies:

21 Executive Ethics Commission
22 Illinois Commerce Commission
23 Educational Labor Relations Board
24 State Board of Elections
25 ~~Illinois Gaming Board~~
26 Health Facilities Planning Board

1 Illinois Workers' Compensation Commission
2 Illinois Labor Relations Board
3 Illinois Liquor Control Commission
4 Pollution Control Board
5 Property Tax Appeal Board
6 ~~Illinois Racing Board~~
7 Illinois Purchased Care Review Board
8 Department of State Police Merit Board
9 Motor Vehicle Review Board
10 Prisoner Review Board
11 Civil Service Commission
12 Personnel Review Board for the Treasurer
13 Merit Commission for the Secretary of State
14 Merit Commission for the Office of the Comptroller
15 Court of Claims
16 Board of Review of the Department of Employment Security
17 Department of Insurance
18 Department of Professional Regulation and licensing boards
19 under the Department
20 Department of Public Health and licensing boards under the
21 Department
22 Office of Banks and Real Estate and licensing boards under
23 the Office
24 State Employees Retirement System Board of Trustees
25 Judges Retirement System Board of Trustees
26 General Assembly Retirement System Board of Trustees

1 Illinois Board of Investment

2 State Universities Retirement System Board of Trustees

3 Teachers Retirement System Officers Board of Trustees

4 (f) Any person who fails to (i) report an ex parte
5 communication to an ethics officer, (ii) make information part
6 of the record, or (iii) make a filing with the Executive Ethics
7 Commission as required by this Section or as required by
8 Section 5-165 of the Illinois Administrative Procedure Act
9 violates this Act.

10 (Source: P.A. 95-331, eff. 8-21-07.)

11 (5 ILCS 430/20-10)

12 Sec. 20-10. Offices of Executive Inspectors General.

13 (a) ~~Six~~ Five independent Offices of the Executive Inspector
14 General are created, one each for the Governor, the Attorney
15 General, the Secretary of State, the Comptroller, and the
16 Treasurer and one for gaming activities. Each Office shall be
17 under the direction and supervision of an Executive Inspector
18 General and shall be a fully independent office with separate
19 appropriations.

20 (b) The Governor, Attorney General, Secretary of State,
21 Comptroller, and Treasurer shall each appoint an Executive
22 Inspector General, and the Director of Gaming Enforcement shall
23 appoint an Executive Inspector General for gaming activities.
24 Each appointment must be made without regard to political
25 affiliation and solely on the basis of integrity and

1 demonstrated ability. Appointments shall be made by and with
2 the advice and consent of the Senate by three-fifths of the
3 elected members concurring by record vote. Any nomination not
4 acted upon by the Senate within 60 session days of the receipt
5 thereof shall be deemed to have received the advice and consent
6 of the Senate. If, during a recess of the Senate, there is a
7 vacancy in an office of Executive Inspector General, the
8 appointing authority shall make a temporary appointment until
9 the next meeting of the Senate when the appointing authority
10 shall make a nomination to fill that office. No person rejected
11 for an office of Executive Inspector General shall, except by
12 the Senate's request, be nominated again for that office at the
13 same session of the Senate or be appointed to that office
14 during a recess of that Senate.

15 Nothing in this Article precludes the appointment by the
16 Governor, Attorney General, Secretary of State, Comptroller,
17 or Treasurer of any other inspector general required or
18 permitted by law. The Governor, Attorney General, Secretary of
19 State, Comptroller, and Treasurer each may appoint an existing
20 inspector general as the Executive Inspector General required
21 by this Article, provided that such an inspector general is not
22 prohibited by law, rule, jurisdiction, qualification, or
23 interest from serving as the Executive Inspector General
24 required by this Article. An appointing authority may not
25 appoint a relative as an Executive Inspector General.

26 Each Executive Inspector General shall have the following

1 qualifications:

2 (1) has not been convicted of any felony under the laws
3 of this State, another State, or the United States;

4 (2) has earned a baccalaureate degree from an
5 institution of higher education; and

6 (3) has 5 or more years of cumulative service (A) with
7 a federal, State, or local law enforcement agency, at least
8 2 years of which have been in a progressive investigatory
9 capacity; (B) as a federal, State, or local prosecutor; (C)
10 as a senior manager or executive of a federal, State, or
11 local agency; (D) as a member, an officer, or a State or
12 federal judge; or (E) representing any combination of (A)
13 through (D).

14 The term of each initial Executive Inspector General shall
15 commence upon qualification and shall run through June 30,
16 2008. The initial appointments shall be made within 60 days
17 after the effective date of this Act.

18 After the initial term, each Executive Inspector General
19 shall serve for 5-year terms commencing on July 1 of the year
20 of appointment and running through June 30 of the fifth
21 following year. An Executive Inspector General may be
22 reappointed to one or more subsequent terms.

23 A vacancy occurring other than at the end of a term shall
24 be filled by the appointing authority only for the balance of
25 the term of the Executive Inspector General whose office is
26 vacant.

1 Terms shall run regardless of whether the position is
2 filled.

3 (c) The Executive Inspector General appointed by the
4 Attorney General shall have jurisdiction over the Attorney
5 General and all officers and employees of, and vendors and
6 others doing business with, State agencies within the
7 jurisdiction of the Attorney General. The Executive Inspector
8 General appointed by the Secretary of State shall have
9 jurisdiction over the Secretary of State and all officers and
10 employees of, and vendors and others doing business with, State
11 agencies within the jurisdiction of the Secretary of State. The
12 Executive Inspector General appointed by the Comptroller shall
13 have jurisdiction over the Comptroller and all officers and
14 employees of, and vendors and others doing business with, State
15 agencies within the jurisdiction of the Comptroller. The
16 Executive Inspector General appointed by the Treasurer shall
17 have jurisdiction over the Treasurer and all officers and
18 employees of, and vendors and others doing business with, State
19 agencies within the jurisdiction of the Treasurer. The
20 Executive Inspector General appointed by the Governor shall
21 have jurisdiction over the Governor, the Lieutenant Governor,
22 and all officers and employees of, and vendors and others doing
23 business with, executive branch State agencies under the
24 jurisdiction of the Executive Ethics Commission and not within
25 the jurisdiction of the Attorney General, the Secretary of
26 State, the Comptroller, ~~or~~ the Treasurer, or the Executive

1 Inspector General for gaming activities. The Executive
2 Inspector General for gaming activities appointed by the
3 Director of Gaming Enforcement has jurisdiction over the
4 Illinois Gaming Board, Illinois Racing Board, the Office of
5 Gaming Enforcement, the Illinois Casino Development Authority,
6 and all officers and employees of those agencies.

7 The jurisdiction of each Executive Inspector General is to
8 investigate allegations of fraud, waste, abuse, mismanagement,
9 misconduct, nonfeasance, misfeasance, malfeasance, or
10 violations of this Act or violations of other related laws and
11 rules.

12 (d) The minimum compensation for each Executive Inspector
13 General shall be determined by the Executive Ethics Commission.
14 The actual compensation for each Executive Inspector General
15 shall be determined by the appointing ~~executive branch~~
16 ~~constitutional~~ officer and must be at or above the minimum
17 compensation level set by the Executive Ethics Commission.
18 Subject to Section 20-45 of this Act, each Executive Inspector
19 General has full authority to organize his or her Office of the
20 Executive Inspector General, including the employment and
21 determination of the compensation of staff, such as deputies,
22 assistants, and other employees, as appropriations permit. A
23 separate appropriation shall be made for each Office of
24 Executive Inspector General.

25 (e) No Executive Inspector General or employee of the
26 Office of the Executive Inspector General may, during his or

1 her term of appointment or employment:

2 (1) become a candidate for any elective office;

3 (2) hold any other elected or appointed public office
4 except for appointments on governmental advisory boards or
5 study commissions or as otherwise expressly authorized by
6 law;

7 (3) be actively involved in the affairs of any
8 political party or political organization; or

9 (4) actively participate in any campaign for any
10 elective office.

11 In this subsection an appointed public office means a
12 position authorized by law that is filled by an appointing
13 authority as provided by law and does not include employment by
14 hiring in the ordinary course of business.

15 (e-1) No Executive Inspector General or employee of the
16 Office of the Executive Inspector General may, for one year
17 after the termination of his or her appointment or employment:

18 (1) become a candidate for any elective office;

19 (2) hold any elected public office; or

20 (3) hold any appointed State, county, or local judicial
21 office.

22 (e-2) The requirements of item (3) of subsection (e-1) may
23 be waived by the Executive Ethics Commission.

24 (f) An Executive Inspector General may be removed only for
25 cause and may be removed only by the appointing ~~constitutional~~
26 officer. At the time of the removal, the appointing

1 ~~constitutional~~ officer must report to the Executive Ethics
2 Commission the justification for the removal.

3 (Source: P.A. 93-617, eff. 12-9-03.)

4 (5 ILCS 430/20-15)

5 Sec. 20-15. Duties of the Executive Ethics Commission. In
6 addition to duties otherwise assigned by law, the Executive
7 Ethics Commission shall have the following duties:

8 (1) To promulgate rules governing the performance of
9 its duties and the exercise of its powers and governing the
10 investigations of the Executive Inspectors General. It is
11 declared to be in the public interest, safety, and welfare
12 that the Commission adopt emergency rules under the
13 Illinois Administrative Procedure Act to initially perform
14 its duties under this subsection.

15 (2) To conduct administrative hearings and rule on
16 matters brought before the Commission only upon the receipt
17 of pleadings filed by an Executive Inspector General and
18 not upon its own prerogative, but may appoint special
19 Executive Inspectors General as provided in Section 20-21.
20 Any other allegations of misconduct received by the
21 Commission from a person other than an Executive Inspector
22 General shall be referred to the Office of the appropriate
23 Executive Inspector General.

24 (3) To prepare and publish manuals and guides and,
25 working with the Office of the Attorney General, oversee

1 training of employees under its jurisdiction that explains
2 their duties.

3 (4) To prepare public information materials to
4 facilitate compliance, implementation, and enforcement of
5 this Act.

6 (5) To submit reports as required by this Act.

7 (6) To the extent authorized by this Act, to make
8 rulings, issue recommendations, and impose administrative
9 fines, if appropriate, in connection with the
10 implementation and interpretation of this Act. The powers
11 and duties of the Commission are limited to matters clearly
12 within the purview of this Act.

13 (7) To issue subpoenas with respect to matters pending
14 before the Commission, subject to the provisions of this
15 Article and in the discretion of the Commission, to compel
16 the attendance of witnesses for purposes of testimony and
17 the production of documents and other items for inspection
18 and copying.

19 (8) To appoint special Executive Inspectors General as
20 provided in Section 20-21.

21 (9) Pursuant to Section 5.3 of the Illinois Gambling
22 Act, select members as required to review applications and
23 appoint members to the Nomination Panel established under
24 the Illinois Gambling Act.

25 (Source: P.A. 93-617, eff. 12-9-03.)

1 Section 90-2. The Executive Reorganization Implementation
2 Act is amended by changing Section 3.1 as follows:

3 (15 ILCS 15/3.1) (from Ch. 127, par. 1803.1)

4 Sec. 3.1. "Agency directly responsible to the Governor" or
5 "agency" means any office, officer, division, or part thereof,
6 and any other office, nonelective officer, department,
7 division, bureau, board, or commission in the executive branch
8 of State government, except that it does not apply to any
9 agency whose primary function is service to the General
10 Assembly or the Judicial Branch of State government, or to any
11 agency administered by the Attorney General, Secretary of
12 State, State Comptroller or State Treasurer. In addition the
13 term does not apply to the following agencies created by law
14 with the primary responsibility of exercising regulatory or
15 adjudicatory functions independently of the Governor:

- 16 (1) the State Board of Elections;
17 (2) the State Board of Education;
18 (3) the Illinois Commerce Commission;
19 (4) the Illinois Workers' Compensation Commission;
20 (5) the Civil Service Commission;
21 (6) the Fair Employment Practices Commission;
22 (7) the Pollution Control Board;
23 (8) the Department of State Police Merit Board;
24 (9) the Illinois Gaming Board;
25 (10) the Office of Gaming Enforcement; and

1 (11) the Illinois Racing Board.

2 (Source: P.A. 93-721, eff. 1-1-05.)

3 Section 90-5. The Alcoholism and Other Drug Abuse and
4 Dependency Act is amended by changing Section 5-20 as follows:

5 (20 ILCS 301/5-20)

6 Sec. 5-20. Compulsive gambling program.

7 (a) Subject to appropriation, the Department shall
8 establish a program for public education, research, and
9 training regarding problem and compulsive gambling and the
10 treatment and prevention of problem and compulsive gambling.
11 Subject to specific appropriation for these stated purposes,
12 the program must include all of the following:

13 (1) Establishment and maintenance of a toll-free "800"
14 telephone number to provide crisis counseling and referral
15 services to families experiencing difficulty as a result of
16 problem or compulsive gambling.

17 (2) Promotion of public awareness regarding the
18 recognition and prevention of problem and compulsive
19 gambling.

20 (3) Facilitation, through in-service training and
21 other means, of the availability of effective assistance
22 programs for problem and compulsive gamblers.

23 (4) Conducting studies to identify adults and
24 juveniles in this State who are, or who are at risk of

1 becoming, problem or compulsive gamblers.

2 (b) Subject to appropriation, the Department shall either
3 establish and maintain the program or contract with a private
4 or public entity for the establishment and maintenance of the
5 program. Subject to appropriation, either the Department or the
6 private or public entity shall implement the toll-free
7 telephone number, promote public awareness, and conduct
8 in-service training concerning problem and compulsive
9 gambling.

10 (c) Subject to appropriation, the Department shall produce
11 and supply the signs specified in Section 10.7 of the Illinois
12 Lottery Law, Section 34.1 of the Illinois Horse Racing Act of
13 1975, Section 4.3 of the Bingo License and Tax Act, Section 8.1
14 of the Charitable Games Act, and Section 13.1 of the Illinois
15 ~~Riverboat~~ Gambling Act.

16 (Source: P.A. 89-374, eff. 1-1-96; 89-626, eff. 8-9-96.)

17 Section 90-7. The Department of Commerce and Economic
18 Opportunity Law of the Civil Administrative Code of Illinois is
19 amended by adding Section 605-530 as follows:

20 (20 ILCS 605/605-530 new)

21 Sec. 605-530. The Depressed Communities Economic
22 Development Board.

23 (a) The Depressed Communities Economic Development Board
24 is created as an advisory board within the Department of

1 Commerce and Economic Opportunity. The Board shall consist of
2 10 members as follows:

3 (1) 2 members appointed by the President of the Senate,
4 one of whom is appointed to serve an initial term of one
5 year and one of whom is appointed to serve an initial term
6 of 2 years.

7 (2) 2 members appointed by the Minority Leader of the
8 Senate, one of whom is appointed to serve an initial term
9 of one year and one of whom is appointed to serve an
10 initial term of 2 years.

11 (3) 2 members appointed by the Speaker of the House of
12 Representatives, one of whom is appointed to serve an
13 initial term of one year and one of whom is appointed to
14 serve an initial term of 2 years.

15 (4) 2 members appointed by the Minority Leader of the
16 House of Representatives, one of whom is appointed to serve
17 an initial term of one year and one of whom is appointed to
18 serve an initial term of 2 years.

19 (5) 2 members appointed by the Governor with the advice
20 and consent of the Senate, one of whom is appointed to
21 serve an initial term of one year and one of whom is
22 appointed to serve an initial term of 2 years as chair of
23 the Board at the time of appointment.

24 After the initial terms, each member shall be appointed to
25 serve a term of 2 years and until his or her successor has been
26 appointed and assumes office. If a vacancy occurs in the Board

1 membership, the vacancy shall be filled in the same manner as
2 the initial appointment.

3 (b) Board members shall serve without compensation but may
4 be reimbursed for their reasonable travel expenses from funds
5 available for that purpose. The Department of Commerce and
6 Economic Opportunity shall provide staff and administrative
7 support services to the Board.

8 (c) The Board must make recommendations to the Department
9 of Commerce and Economic Opportunity concerning the award of
10 grants from amounts appropriated to the Department from the
11 Depressed Communities Economic Development Fund. The
12 Department must make grants to public or private entities
13 submitting proposals to the Board to revitalize an Illinois
14 depressed community within Cook County. Grants may be used by
15 these entities only for those purposes conditioned with the
16 grant. For the purposes of this subsection (c), plans for
17 revitalizing an Illinois depressed community include plans
18 intended to curb high levels of poverty, unemployment, job and
19 population loss, and general distress. An Illinois depressed
20 community (i) is an area within Cook County where the poverty
21 rate, as determined by using the most recent data released by
22 the United States Census Bureau, is at least 3% greater than
23 the State poverty rate as determined by using the most recent
24 data released by the United States Census Bureau; or (ii) is an
25 area within following zip codes: 60104, 60153, 60160, 60402,
26 60406, 60409, 60411, 60419, 60426, 60429, 60432, 60472, 60473,

1 60608, 60609, 60612, 60614, 60615, 60617, 60618, 60619, 60620,
2 60622, 60623, 60624, 60628, 60629, 60630, 60632, 60636, 60637,
3 60638, 60639, 60641, 60643, 60644, 60647, 60649, 60651, 60652,
4 60653, 60655, 60804, and 60827.

5 Section 90-10. The Department of Revenue Law of the Civil
6 Administrative Code of Illinois is amended by changing Section
7 2505-305 as follows:

8 (20 ILCS 2505/2505-305) (was 20 ILCS 2505/39b15.1)

9 Sec. 2505-305. Investigators.

10 (a) The Department has the power to appoint investigators
11 to conduct all investigations, searches, seizures, arrests,
12 and other duties imposed under the provisions of any law
13 administered by the Department ~~or the Illinois Gaming Board~~.
14 Except as provided in subsection (c), these investigators have
15 and may exercise all the powers of peace officers solely for
16 the purpose of enforcing taxing measures administered by the
17 Department ~~or the Illinois Gaming Board~~.

18 (b) The Director must authorize to each investigator
19 employed under this Section and to any other employee of the
20 Department exercising the powers of a peace officer a distinct
21 badge that, on its face, (i) clearly states that the badge is
22 authorized by the Department and (ii) contains a unique
23 identifying number. No other badge shall be authorized by the
24 Department.

1 ~~(e) Investigators appointed under this Section who are~~
2 ~~assigned to the Illinois Gaming Board have and may exercise all~~
3 ~~the rights and powers of peace officers, provided that these~~
4 ~~powers shall be limited to offenses or violations occurring or~~
5 ~~committed on a riverboat or dock, as defined in subsections (d)~~
6 ~~and (f) of Section 4 of the Riverboat Gambling Act.~~

7 (Source: P.A. 91-239, eff. 1-1-00; 91-883, eff. 1-1-01; 92-493,
8 eff. 1-1-02.)

9 Section 90-11. The Department of Transportation Law of the
10 Civil Administrative Code of Illinois is amended by adding
11 Section 2705-585 as follows:

12 (20 ILCS 2705/2705-585 new)

13 Sec. 2705-585. Condition Rating Survey mandates.

14 (a) Each highway district must have an average interstate
15 Condition Rating Survey (CRS) within 4% of the statewide
16 average.

17 (b) Each highway district must have an average marked route
18 CRS within 5% of the statewide average.

19 (c) Each highway district must have an average bridge
20 condition CRS within 3% of the statewide average.

21 (d) The Department must publish an annual report, and
22 release that report for review and comment by December 31 each
23 year, to verify that the mandates contained in subsections (a)
24 through (c) have been met. If a highway district's average does

1 not meet any mandate, the Department must identify the funding
2 necessary to bring that district into compliance with the
3 update of the Multi-Year Highway Improvement Program. The
4 Auditor General shall verify the accuracy of the Department's
5 reporting with an audit every 2 years.

6 Section 90-12. The Illinois State Auditing Act is amended
7 by changing Section 3-1 as follows:

8 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

9 Sec. 3-1. Jurisdiction of Auditor General. The Auditor
10 General has jurisdiction over all State agencies to make post
11 audits and investigations authorized by or under this Act or
12 the Constitution.

13 The Auditor General has jurisdiction over local government
14 agencies and private agencies only:

15 (a) to make such post audits authorized by or under
16 this Act as are necessary and incidental to a post audit of
17 a State agency or of a program administered by a State
18 agency involving public funds of the State, but this
19 jurisdiction does not include any authority to review local
20 governmental agencies in the obligation, receipt,
21 expenditure or use of public funds of the State that are
22 granted without limitation or condition imposed by law,
23 other than the general limitation that such funds be used
24 for public purposes;

1 (b) to make investigations authorized by or under this
2 Act or the Constitution; and

3 (c) to make audits of the records of local government
4 agencies to verify actual costs of state-mandated programs
5 when directed to do so by the Legislative Audit Commission
6 at the request of the State Board of Appeals under the
7 State Mandates Act.

8 In addition to the foregoing, the Auditor General may
9 conduct an audit of the Metropolitan Pier and Exposition
10 Authority, the Regional Transportation Authority, the Suburban
11 Bus Division, the Commuter Rail Division and the Chicago
12 Transit Authority and any other subsidized carrier when
13 authorized by the Legislative Audit Commission. Such audit may
14 be a financial, management or program audit, or any combination
15 thereof.

16 The audit shall determine whether they are operating in
17 accordance with all applicable laws and regulations. Subject to
18 the limitations of this Act, the Legislative Audit Commission
19 may by resolution specify additional determinations to be
20 included in the scope of the audit.

21 In addition to the foregoing, the Auditor General must also
22 conduct a financial audit of the Illinois Sports Facilities
23 Authority's expenditures of public funds in connection with the
24 reconstruction, renovation, remodeling, extension, or
25 improvement of all or substantially all of any existing
26 "facility", as that term is defined in the Illinois Sports

1 Facilities Authority Act.

2 The Auditor General may also conduct an audit, when
3 authorized by the Legislative Audit Commission, of any hospital
4 which receives 10% or more of its gross revenues from payments
5 from the State of Illinois, Department of Healthcare and Family
6 Services (formerly Department of Public Aid), Medical
7 Assistance Program.

8 The Auditor General is authorized to conduct financial and
9 compliance audits of the Illinois Distance Learning Foundation
10 and the Illinois Conservation Foundation.

11 As soon as practical after the effective date of this
12 amendatory Act of 1995, the Auditor General shall conduct a
13 compliance and management audit of the City of Chicago and any
14 other entity with regard to the operation of Chicago O'Hare
15 International Airport, Chicago Midway Airport and Merrill C.
16 Meigs Field. The audit shall include, but not be limited to, an
17 examination of revenues, expenses, and transfers of funds;
18 purchasing and contracting policies and practices; staffing
19 levels; and hiring practices and procedures. When completed,
20 the audit required by this paragraph shall be distributed in
21 accordance with Section 3-14.

22 The Auditor General shall conduct a financial and
23 compliance and program audit of distributions from the
24 Municipal Economic Development Fund during the immediately
25 preceding calendar year pursuant to Section 8-403.1 of the
26 Public Utilities Act at no cost to the city, village, or

1 incorporated town that received the distributions.

2 The Auditor General must conduct an audit of the Health
3 Facilities Planning Board pursuant to Section 19.5 of the
4 Illinois Health Facilities Planning Act.

5 The Auditor General must conduct an audit of the Chicago
6 Casino Development Authority pursuant to Section 1-60 of the
7 Chicago Casino Development Authority Act and the Illinois
8 Casino Development Authority pursuant to Section 5-60 of the
9 Illinois Casino Development Authority Act.

10 The Auditor General of the State of Illinois shall annually
11 conduct or cause to be conducted a financial and compliance
12 audit of the books and records of any county water commission
13 organized pursuant to the Water Commission Act of 1985 and
14 shall file a copy of the report of that audit with the Governor
15 and the Legislative Audit Commission. The filed audit shall be
16 open to the public for inspection. The cost of the audit shall
17 be charged to the county water commission in accordance with
18 Section 6z-27 of the State Finance Act. The county water
19 commission shall make available to the Auditor General its
20 books and records and any other documentation, whether in the
21 possession of its trustees or other parties, necessary to
22 conduct the audit required. These audit requirements apply only
23 through July 1, 2007.

24 The Auditor General must conduct audits of the Rend Lake
25 Conservancy District as provided in Section 25.5 of the River
26 Conservancy Districts Act.

1 The Auditor General must conduct financial audits of the
2 Southeastern Illinois Economic Development Authority as
3 provided in Section 70 of the Southeastern Illinois Economic
4 Development Authority Act.

5 (Source: P.A. 95-331, eff. 8-21-07.)

6 Section 90-15. The State Finance Act is amended by changing
7 Section 8h and adding Sections 5.710, 5.711, 5.712, 5.713,
8 5.714, and 6z-73 as follows:

9 (30 ILCS 105/5.710 new)

10 Sec. 5.710. The Illinois Works Fund.

11 (30 ILCS 105/5.711 new)

12 Sec. 5.711. The Focusing on Children, Uplifting Schools
13 (FOCUS) Fund.

14 (30 ILCS 105/5.712 new)

15 Sec. 5.712. The Depressed Communities Economic Development
16 Fund.

17 (30 ILCS 105/5.713 new)

18 Sec. 5.713. The Illinois Works Debt Service Fund.

19 (30 ILCS 105/5.714 new)

20 Sec. 5.714. The Illinois Casino Development Authority

1 Fund.

2 (30 ILCS 105/6z-73 new)

3 Sec. 6z-73. FOCUS Fund.

4 (a) There is created the Focusing on Children, Uplifting
5 Schools (FOCUS) Fund as a special fund in the State treasury.
6 All money in the Fund shall be used, subject to appropriation,
7 by the State Board of Education as provided in this Section.

8 (b) The State Board of Education shall distribute the money
9 in the FOCUS Fund as follows:

10 (1) Sixty percent of the money in the Fund must be
11 distributed according to the general State aid formula set
12 forth in Section 18-8.05 of the School Code.

13 (2) Fifteen percent of the money in the Fund must be
14 distributed to school districts through the School Safety
15 and Educational Improvement Block Grant Program set forth
16 in Section 2-3.51.5 of the School Code.

17 (3) Five percent of the money in the Fund must be
18 distributed as fast growth grants under Section 18-8.10 of
19 the School Code to school districts that qualify.

20 (4) Five percent of the money in the Fund must be
21 distributed to the Regional Offices of Education for a
22 program to re-enroll dropouts.

23 (5) Fifteen percent of the money in the Fund must be
24 distributed through an Early Childhood Education Block
25 Grant under Section 1C-2 of the School Code.

1 (30 ILCS 105/8h)

2 Sec. 8h. Transfers to General Revenue Fund.

3 (a) Except as otherwise provided in this Section and
4 Section 8n of this Act, and notwithstanding any other State law
5 to the contrary, the Governor may, through June 30, 2007, from
6 time to time direct the State Treasurer and Comptroller to
7 transfer a specified sum from any fund held by the State
8 Treasurer to the General Revenue Fund in order to help defray
9 the State's operating costs for the fiscal year. The total
10 transfer under this Section from any fund in any fiscal year
11 shall not exceed the lesser of (i) 8% of the revenues to be
12 deposited into the fund during that fiscal year or (ii) an
13 amount that leaves a remaining fund balance of 25% of the July
14 1 fund balance of that fiscal year. In fiscal year 2005 only,
15 prior to calculating the July 1, 2004 final balances, the
16 Governor may calculate and direct the State Treasurer with the
17 Comptroller to transfer additional amounts determined by
18 applying the formula authorized in Public Act 93-839 to the
19 funds balances on July 1, 2003. No transfer may be made from a
20 fund under this Section that would have the effect of reducing
21 the available balance in the fund to an amount less than the
22 amount remaining unexpended and unreserved from the total
23 appropriation from that fund estimated to be expended for that
24 fiscal year. This Section does not apply to any funds that are
25 restricted by federal law to a specific use, to any funds in

1 the Motor Fuel Tax Fund, the Intercity Passenger Rail Fund, the
2 Hospital Provider Fund, the Medicaid Provider Relief Fund, the
3 Teacher Health Insurance Security Fund, the Reviewing Court
4 Alternative Dispute Resolution Fund, the Voters' Guide Fund,
5 the Foreign Language Interpreter Fund, the Lawyers' Assistance
6 Program Fund, the Supreme Court Federal Projects Fund, the
7 Supreme Court Special State Projects Fund, the Supplemental
8 Low-Income Energy Assistance Fund, the Good Samaritan Energy
9 Trust Fund, the Low-Level Radioactive Waste Facility
10 Development and Operation Fund, the Horse Racing Equity Trust
11 Fund, the Racing Industry Workers' Trust Fund, the Illinois
12 Equine Research Trust Fund, the Illinois Colt Stakes Purse
13 Distribution Fund, the Illinois Thoroughbred Breeders Fund,
14 the Illinois Racing Quarter Horse Breeders Fund, the Illinois
15 Standardbred Breeders Fund, the Illinois Works Fund, the
16 Illinois Works Debt Service Fund, the Illinois Education Trust
17 Fund, the Leaking Underground Storage Tank (LUST) Fund, the
18 Focusing on Children, Uplifting Schools (FOCUS) Fund, the
19 Depressed Communities Economic Development Fund, the Illinois
20 Casino Development Authority Fund, the Metabolic Screening and
21 Treatment Fund, or the Hospital Basic Services Preservation
22 Fund, or to any funds to which Section 70-50 of the Nurse
23 Practice Act applies. No transfers may be made under this
24 Section from the Pet Population Control Fund. Notwithstanding
25 any other provision of this Section, for fiscal year 2004, the
26 total transfer under this Section from the Road Fund or the

1 State Construction Account Fund shall not exceed the lesser of
2 (i) 5% of the revenues to be deposited into the fund during
3 that fiscal year or (ii) 25% of the beginning balance in the
4 fund. For fiscal year 2005 through fiscal year 2007, no amounts
5 may be transferred under this Section from the Road Fund, the
6 State Construction Account Fund, the Criminal Justice
7 Information Systems Trust Fund, the Wireless Service Emergency
8 Fund, or the Mandatory Arbitration Fund.

9 In determining the available balance in a fund, the
10 Governor may include receipts, transfers into the fund, and
11 other resources anticipated to be available in the fund in that
12 fiscal year.

13 The State Treasurer and Comptroller shall transfer the
14 amounts designated under this Section as soon as may be
15 practicable after receiving the direction to transfer from the
16 Governor.

17 (a-5) Transfers directed to be made under this Section on
18 or before February 28, 2006 that are still pending on May 19,
19 2006 (the effective date of Public Act 94-774) shall be
20 redirected as provided in Section 8n of this Act.

21 (b) This Section does not apply to: (i) the Ticket For The
22 Cure Fund; (ii) any fund established under the Community Senior
23 Services and Resources Act; or (iii) on or after January 1,
24 2006 (the effective date of Public Act 94-511), the Child Labor
25 and Day and Temporary Labor Enforcement Fund.

26 (c) This Section does not apply to the Demutualization

1 Trust Fund established under the Uniform Disposition of
2 Unclaimed Property Act.

3 (d) This Section does not apply to moneys set aside in the
4 Illinois State Podiatric Disciplinary Fund for podiatric
5 scholarships and residency programs under the Podiatric
6 Scholarship and Residency Act.

7 (e) Subsection (a) does not apply to, and no transfer may
8 be made under this Section from, the Pension Stabilization
9 Fund.

10 (f) Subsection (a) does not apply to, and no transfer may
11 be made under this Section from, the Illinois Power Agency
12 Operations Fund, the Illinois Power Agency Facilities Fund, the
13 Illinois Power Agency Debt Service Fund, and the Illinois Power
14 Agency Trust Fund.

15 (g) ~~(f)~~ This Section does not apply to the Veterans Service
16 Organization Reimbursement Fund.

17 (h) ~~(f)~~ This Section does not apply to the Supreme Court
18 Historic Preservation Fund.

19 (Source: P.A. 94-91, eff. 7-1-05; 94-120, eff. 7-6-05; 94-511,
20 eff. 1-1-06; 94-535, eff. 8-10-05; 94-639, eff. 8-22-05;
21 94-645, eff. 8-22-05; 94-648, eff. 1-1-06; 94-686, eff.
22 11-2-05; 94-691, eff. 11-2-05; 94-726, eff. 1-20-06; 94-773,
23 eff. 5-18-06; 94-774, eff. 5-19-06; 94-804, eff. 5-26-06;
24 94-839, eff. 6-6-06; 95-331, eff. 8-21-07; 95-410, eff.
25 8-24-07; 95-481, eff. 8-28-07; 95-629, eff. 9-25-07; 95-639,
26 eff. 10-5-07; 95-695, eff. 11-5-07; revised 11-2-07.)

1 Section 90-20. The Illinois Procurement Code is amended by
2 changing Section 50-70 as follows:

3 (30 ILCS 500/50-70)

4 Sec. 50-70. Additional provisions. This Code is subject to
5 applicable provisions of the following Acts:

6 (1) Article 33E of the Criminal Code of 1961;

7 (2) the Illinois Human Rights Act;

8 (3) the Discriminatory Club Act;

9 (4) the Illinois Governmental Ethics Act;

10 (5) the State Prompt Payment Act;

11 (6) the Public Officer Prohibited Activities Act;

12 (7) the Drug Free Workplace Act; ~~and~~

13 (8) the Illinois Power Agency Act; ~~and~~

14 (9) ~~(8)~~ the Employee Classification Act; and ~~and~~

15 (10) the Illinois Gambling Act.

16 (Source: P.A. 95-26, eff. 1-1-08; 95-481, eff. 8-28-07; revised
17 11-2-07.)

18 Section 90-21. The Retailers' Occupation Tax Act is amended
19 by changing Section 3 as follows:

20 (35 ILCS 120/3) (from Ch. 120, par. 442)

21 Sec. 3. Except as provided in this Section, on or before
22 the twentieth day of each calendar month, every person engaged

1 in the business of selling tangible personal property at retail
2 in this State during the preceding calendar month shall file a
3 return with the Department, stating:

4 1. The name of the seller;

5 2. His residence address and the address of his
6 principal place of business and the address of the
7 principal place of business (if that is a different
8 address) from which he engages in the business of selling
9 tangible personal property at retail in this State;

10 3. Total amount of receipts received by him during the
11 preceding calendar month or quarter, as the case may be,
12 from sales of tangible personal property, and from services
13 furnished, by him during such preceding calendar month or
14 quarter;

15 4. Total amount received by him during the preceding
16 calendar month or quarter on charge and time sales of
17 tangible personal property, and from services furnished,
18 by him prior to the month or quarter for which the return
19 is filed;

20 5. Deductions allowed by law;

21 6. Gross receipts which were received by him during the
22 preceding calendar month or quarter and upon the basis of
23 which the tax is imposed;

24 7. The amount of credit provided in Section 2d of this
25 Act;

26 8. The amount of tax due;

1 9. The signature of the taxpayer; and

2 10. Such other reasonable information as the
3 Department may require.

4 If a taxpayer fails to sign a return within 30 days after
5 the proper notice and demand for signature by the Department,
6 the return shall be considered valid and any amount shown to be
7 due on the return shall be deemed assessed.

8 Each return shall be accompanied by the statement of
9 prepaid tax issued pursuant to Section 2e for which credit is
10 claimed.

11 Prior to October 1, 2003, and on and after September 1,
12 2004 a retailer may accept a Manufacturer's Purchase Credit
13 certification from a purchaser in satisfaction of Use Tax as
14 provided in Section 3-85 of the Use Tax Act if the purchaser
15 provides the appropriate documentation as required by Section
16 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
17 certification, accepted by a retailer prior to October 1, 2003
18 and on and after September 1, 2004 as provided in Section 3-85
19 of the Use Tax Act, may be used by that retailer to satisfy
20 Retailers' Occupation Tax liability in the amount claimed in
21 the certification, not to exceed 6.25% of the receipts subject
22 to tax from a qualifying purchase. A Manufacturer's Purchase
23 Credit reported on any original or amended return filed under
24 this Act after October 20, 2003 for reporting periods prior to
25 September 1, 2004 shall be disallowed. Manufacturer's
26 Purchaser Credit reported on annual returns due on or after

1 January 1, 2005 will be disallowed for periods prior to
2 September 1, 2004. No Manufacturer's Purchase Credit may be
3 used after September 30, 2003 through August 31, 2004 to
4 satisfy any tax liability imposed under this Act, including any
5 audit liability.

6 The Department may require returns to be filed on a
7 quarterly basis. If so required, a return for each calendar
8 quarter shall be filed on or before the twentieth day of the
9 calendar month following the end of such calendar quarter. The
10 taxpayer shall also file a return with the Department for each
11 of the first two months of each calendar quarter, on or before
12 the twentieth day of the following calendar month, stating:

- 13 1. The name of the seller;
- 14 2. The address of the principal place of business from
15 which he engages in the business of selling tangible
16 personal property at retail in this State;
- 17 3. The total amount of taxable receipts received by him
18 during the preceding calendar month from sales of tangible
19 personal property by him during such preceding calendar
20 month, including receipts from charge and time sales, but
21 less all deductions allowed by law;
- 22 4. The amount of credit provided in Section 2d of this
23 Act;
- 24 5. The amount of tax due; and
- 25 6. Such other reasonable information as the Department
26 may require.

1 Beginning on October 1, 2003, any person who is not a
2 licensed distributor, importing distributor, or manufacturer,
3 as defined in the Liquor Control Act of 1934, but is engaged in
4 the business of selling, at retail, alcoholic liquor shall file
5 a statement with the Department of Revenue, in a format and at
6 a time prescribed by the Department, showing the total amount
7 paid for alcoholic liquor purchased during the preceding month
8 and such other information as is reasonably required by the
9 Department. The Department may adopt rules to require that this
10 statement be filed in an electronic or telephonic format. Such
11 rules may provide for exceptions from the filing requirements
12 of this paragraph. For the purposes of this paragraph, the term
13 "alcoholic liquor" shall have the meaning prescribed in the
14 Liquor Control Act of 1934.

15 Beginning on October 1, 2003, every distributor, importing
16 distributor, and manufacturer of alcoholic liquor as defined in
17 the Liquor Control Act of 1934, shall file a statement with the
18 Department of Revenue, no later than the 10th day of the month
19 for the preceding month during which transactions occurred, by
20 electronic means, showing the total amount of gross receipts
21 from the sale of alcoholic liquor sold or distributed during
22 the preceding month to purchasers; identifying the purchaser to
23 whom it was sold or distributed; the purchaser's tax
24 registration number; and such other information reasonably
25 required by the Department. A distributor, importing
26 distributor, or manufacturer of alcoholic liquor must

1 personally deliver, mail, or provide by electronic means to
2 each retailer listed on the monthly statement a report
3 containing a cumulative total of that distributor's, importing
4 distributor's, or manufacturer's total sales of alcoholic
5 liquor to that retailer no later than the 10th day of the month
6 for the preceding month during which the transaction occurred.
7 The distributor, importing distributor, or manufacturer shall
8 notify the retailer as to the method by which the distributor,
9 importing distributor, or manufacturer will provide the sales
10 information. If the retailer is unable to receive the sales
11 information by electronic means, the distributor, importing
12 distributor, or manufacturer shall furnish the sales
13 information by personal delivery or by mail. For purposes of
14 this paragraph, the term "electronic means" includes, but is
15 not limited to, the use of a secure Internet website, e-mail,
16 or facsimile.

17 If a total amount of less than \$1 is payable, refundable or
18 creditable, such amount shall be disregarded if it is less than
19 50 cents and shall be increased to \$1 if it is 50 cents or more.

20 Beginning October 1, 1993, a taxpayer who has an average
21 monthly tax liability of \$150,000 or more shall make all
22 payments required by rules of the Department by electronic
23 funds transfer. Beginning October 1, 1994, a taxpayer who has
24 an average monthly tax liability of \$100,000 or more shall make
25 all payments required by rules of the Department by electronic
26 funds transfer. Beginning October 1, 1995, a taxpayer who has

1 an average monthly tax liability of \$50,000 or more shall make
2 all payments required by rules of the Department by electronic
3 funds transfer. Beginning October 1, 2000, a taxpayer who has
4 an annual tax liability of \$200,000 or more shall make all
5 payments required by rules of the Department by electronic
6 funds transfer. The term "annual tax liability" shall be the
7 sum of the taxpayer's liabilities under this Act, and under all
8 other State and local occupation and use tax laws administered
9 by the Department, for the immediately preceding calendar year.
10 The term "average monthly tax liability" shall be the sum of
11 the taxpayer's liabilities under this Act, and under all other
12 State and local occupation and use tax laws administered by the
13 Department, for the immediately preceding calendar year
14 divided by 12. Beginning on October 1, 2002, a taxpayer who has
15 a tax liability in the amount set forth in subsection (b) of
16 Section 2505-210 of the Department of Revenue Law shall make
17 all payments required by rules of the Department by electronic
18 funds transfer.

19 Before August 1 of each year beginning in 1993, the
20 Department shall notify all taxpayers required to make payments
21 by electronic funds transfer. All taxpayers required to make
22 payments by electronic funds transfer shall make those payments
23 for a minimum of one year beginning on October 1.

24 Any taxpayer not required to make payments by electronic
25 funds transfer may make payments by electronic funds transfer
26 with the permission of the Department.

1 All taxpayers required to make payment by electronic funds
2 transfer and any taxpayers authorized to voluntarily make
3 payments by electronic funds transfer shall make those payments
4 in the manner authorized by the Department.

5 The Department shall adopt such rules as are necessary to
6 effectuate a program of electronic funds transfer and the
7 requirements of this Section.

8 Any amount which is required to be shown or reported on any
9 return or other document under this Act shall, if such amount
10 is not a whole-dollar amount, be increased to the nearest
11 whole-dollar amount in any case where the fractional part of a
12 dollar is 50 cents or more, and decreased to the nearest
13 whole-dollar amount where the fractional part of a dollar is
14 less than 50 cents.

15 If the retailer is otherwise required to file a monthly
16 return and if the retailer's average monthly tax liability to
17 the Department does not exceed \$200, the Department may
18 authorize his returns to be filed on a quarter annual basis,
19 with the return for January, February and March of a given year
20 being due by April 20 of such year; with the return for April,
21 May and June of a given year being due by July 20 of such year;
22 with the return for July, August and September of a given year
23 being due by October 20 of such year, and with the return for
24 October, November and December of a given year being due by
25 January 20 of the following year.

26 If the retailer is otherwise required to file a monthly or

1 quarterly return and if the retailer's average monthly tax
2 liability with the Department does not exceed \$50, the
3 Department may authorize his returns to be filed on an annual
4 basis, with the return for a given year being due by January 20
5 of the following year.

6 Such quarter annual and annual returns, as to form and
7 substance, shall be subject to the same requirements as monthly
8 returns.

9 Notwithstanding any other provision in this Act concerning
10 the time within which a retailer may file his return, in the
11 case of any retailer who ceases to engage in a kind of business
12 which makes him responsible for filing returns under this Act,
13 such retailer shall file a final return under this Act with the
14 Department not more than one month after discontinuing such
15 business.

16 Where the same person has more than one business registered
17 with the Department under separate registrations under this
18 Act, such person may not file each return that is due as a
19 single return covering all such registered businesses, but
20 shall file separate returns for each such registered business.

21 In addition, with respect to motor vehicles, watercraft,
22 aircraft, and trailers that are required to be registered with
23 an agency of this State, every retailer selling this kind of
24 tangible personal property shall file, with the Department,
25 upon a form to be prescribed and supplied by the Department, a
26 separate return for each such item of tangible personal

1 property which the retailer sells, except that if, in the same
2 transaction, (i) a retailer of aircraft, watercraft, motor
3 vehicles or trailers transfers more than one aircraft,
4 watercraft, motor vehicle or trailer to another aircraft,
5 watercraft, motor vehicle retailer or trailer retailer for the
6 purpose of resale or (ii) a retailer of aircraft, watercraft,
7 motor vehicles, or trailers transfers more than one aircraft,
8 watercraft, motor vehicle, or trailer to a purchaser for use as
9 a qualifying rolling stock as provided in Section 2-5 of this
10 Act, then that seller may report the transfer of all aircraft,
11 watercraft, motor vehicles or trailers involved in that
12 transaction to the Department on the same uniform
13 invoice-transaction reporting return form. For purposes of
14 this Section, "watercraft" means a Class 2, Class 3, or Class 4
15 watercraft as defined in Section 3-2 of the Boat Registration
16 and Safety Act, a personal watercraft, or any boat equipped
17 with an inboard motor.

18 Any retailer who sells only motor vehicles, watercraft,
19 aircraft, or trailers that are required to be registered with
20 an agency of this State, so that all retailers' occupation tax
21 liability is required to be reported, and is reported, on such
22 transaction reporting returns and who is not otherwise required
23 to file monthly or quarterly returns, need not file monthly or
24 quarterly returns. However, those retailers shall be required
25 to file returns on an annual basis.

26 The transaction reporting return, in the case of motor

1 vehicles or trailers that are required to be registered with an
2 agency of this State, shall be the same document as the Uniform
3 Invoice referred to in Section 5-402 of The Illinois Vehicle
4 Code and must show the name and address of the seller; the name
5 and address of the purchaser; the amount of the selling price
6 including the amount allowed by the retailer for traded-in
7 property, if any; the amount allowed by the retailer for the
8 traded-in tangible personal property, if any, to the extent to
9 which Section 1 of this Act allows an exemption for the value
10 of traded-in property; the balance payable after deducting such
11 trade-in allowance from the total selling price; the amount of
12 tax due from the retailer with respect to such transaction; the
13 amount of tax collected from the purchaser by the retailer on
14 such transaction (or satisfactory evidence that such tax is not
15 due in that particular instance, if that is claimed to be the
16 fact); the place and date of the sale; a sufficient
17 identification of the property sold; such other information as
18 is required in Section 5-402 of The Illinois Vehicle Code, and
19 such other information as the Department may reasonably
20 require.

21 The transaction reporting return in the case of watercraft
22 or aircraft must show the name and address of the seller; the
23 name and address of the purchaser; the amount of the selling
24 price including the amount allowed by the retailer for
25 traded-in property, if any; the amount allowed by the retailer
26 for the traded-in tangible personal property, if any, to the

1 extent to which Section 1 of this Act allows an exemption for
2 the value of traded-in property; the balance payable after
3 deducting such trade-in allowance from the total selling price;
4 the amount of tax due from the retailer with respect to such
5 transaction; the amount of tax collected from the purchaser by
6 the retailer on such transaction (or satisfactory evidence that
7 such tax is not due in that particular instance, if that is
8 claimed to be the fact); the place and date of the sale, a
9 sufficient identification of the property sold, and such other
10 information as the Department may reasonably require.

11 Such transaction reporting return shall be filed not later
12 than 20 days after the day of delivery of the item that is
13 being sold, but may be filed by the retailer at any time sooner
14 than that if he chooses to do so. The transaction reporting
15 return and tax remittance or proof of exemption from the
16 Illinois use tax may be transmitted to the Department by way of
17 the State agency with which, or State officer with whom the
18 tangible personal property must be titled or registered (if
19 titling or registration is required) if the Department and such
20 agency or State officer determine that this procedure will
21 expedite the processing of applications for title or
22 registration.

23 With each such transaction reporting return, the retailer
24 shall remit the proper amount of tax due (or shall submit
25 satisfactory evidence that the sale is not taxable if that is
26 the case), to the Department or its agents, whereupon the

1 Department shall issue, in the purchaser's name, a use tax
2 receipt (or a certificate of exemption if the Department is
3 satisfied that the particular sale is tax exempt) which such
4 purchaser may submit to the agency with which, or State officer
5 with whom, he must title or register the tangible personal
6 property that is involved (if titling or registration is
7 required) in support of such purchaser's application for an
8 Illinois certificate or other evidence of title or registration
9 to such tangible personal property.

10 No retailer's failure or refusal to remit tax under this
11 Act precludes a user, who has paid the proper tax to the
12 retailer, from obtaining his certificate of title or other
13 evidence of title or registration (if titling or registration
14 is required) upon satisfying the Department that such user has
15 paid the proper tax (if tax is due) to the retailer. The
16 Department shall adopt appropriate rules to carry out the
17 mandate of this paragraph.

18 If the user who would otherwise pay tax to the retailer
19 wants the transaction reporting return filed and the payment of
20 the tax or proof of exemption made to the Department before the
21 retailer is willing to take these actions and such user has not
22 paid the tax to the retailer, such user may certify to the fact
23 of such delay by the retailer and may (upon the Department
24 being satisfied of the truth of such certification) transmit
25 the information required by the transaction reporting return
26 and the remittance for tax or proof of exemption directly to

1 the Department and obtain his tax receipt or exemption
2 determination, in which event the transaction reporting return
3 and tax remittance (if a tax payment was required) shall be
4 credited by the Department to the proper retailer's account
5 with the Department, but without the 2.1% or 1.75% discount
6 provided for in this Section being allowed. When the user pays
7 the tax directly to the Department, he shall pay the tax in the
8 same amount and in the same form in which it would be remitted
9 if the tax had been remitted to the Department by the retailer.

10 Refunds made by the seller during the preceding return
11 period to purchasers, on account of tangible personal property
12 returned to the seller, shall be allowed as a deduction under
13 subdivision 5 of his monthly or quarterly return, as the case
14 may be, in case the seller had theretofore included the
15 receipts from the sale of such tangible personal property in a
16 return filed by him and had paid the tax imposed by this Act
17 with respect to such receipts.

18 Where the seller is a corporation, the return filed on
19 behalf of such corporation shall be signed by the president,
20 vice-president, secretary or treasurer or by the properly
21 accredited agent of such corporation.

22 Where the seller is a limited liability company, the return
23 filed on behalf of the limited liability company shall be
24 signed by a manager, member, or properly accredited agent of
25 the limited liability company.

26 Except as provided in this Section, the retailer filing the

1 return under this Section shall, at the time of filing such
2 return, pay to the Department the amount of tax imposed by this
3 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
4 on and after January 1, 1990, or \$5 per calendar year,
5 whichever is greater, which is allowed to reimburse the
6 retailer for the expenses incurred in keeping records,
7 preparing and filing returns, remitting the tax and supplying
8 data to the Department on request. Any prepayment made pursuant
9 to Section 2d of this Act shall be included in the amount on
10 which such 2.1% or 1.75% discount is computed. In the case of
11 retailers who report and pay the tax on a transaction by
12 transaction basis, as provided in this Section, such discount
13 shall be taken with each such tax remittance instead of when
14 such retailer files his periodic return.

15 Before October 1, 2000, if the taxpayer's average monthly
16 tax liability to the Department under this Act, the Use Tax
17 Act, the Service Occupation Tax Act, and the Service Use Tax
18 Act, excluding any liability for prepaid sales tax to be
19 remitted in accordance with Section 2d of this Act, was \$10,000
20 or more during the preceding 4 complete calendar quarters, he
21 shall file a return with the Department each month by the 20th
22 day of the month next following the month during which such tax
23 liability is incurred and shall make payments to the Department
24 on or before the 7th, 15th, 22nd and last day of the month
25 during which such liability is incurred. On and after October
26 1, 2000, if the taxpayer's average monthly tax liability to the

1 Department under this Act, the Use Tax Act, the Service
2 Occupation Tax Act, and the Service Use Tax Act, excluding any
3 liability for prepaid sales tax to be remitted in accordance
4 with Section 2d of this Act, was \$20,000 or more during the
5 preceding 4 complete calendar quarters, he shall file a return
6 with the Department each month by the 20th day of the month
7 next following the month during which such tax liability is
8 incurred and shall make payment to the Department on or before
9 the 7th, 15th, 22nd and last day of the month during which such
10 liability is incurred. If the month during which such tax
11 liability is incurred began prior to January 1, 1985, each
12 payment shall be in an amount equal to 1/4 of the taxpayer's
13 actual liability for the month or an amount set by the
14 Department not to exceed 1/4 of the average monthly liability
15 of the taxpayer to the Department for the preceding 4 complete
16 calendar quarters (excluding the month of highest liability and
17 the month of lowest liability in such 4 quarter period). If the
18 month during which such tax liability is incurred begins on or
19 after January 1, 1985 and prior to January 1, 1987, each
20 payment shall be in an amount equal to 22.5% of the taxpayer's
21 actual liability for the month or 27.5% of the taxpayer's
22 liability for the same calendar month of the preceding year. If
23 the month during which such tax liability is incurred begins on
24 or after January 1, 1987 and prior to January 1, 1988, each
25 payment shall be in an amount equal to 22.5% of the taxpayer's
26 actual liability for the month or 26.25% of the taxpayer's

1 liability for the same calendar month of the preceding year. If
2 the month during which such tax liability is incurred begins on
3 or after January 1, 1988, and prior to January 1, 1989, or
4 begins on or after January 1, 1996, each payment shall be in an
5 amount equal to 22.5% of the taxpayer's actual liability for
6 the month or 25% of the taxpayer's liability for the same
7 calendar month of the preceding year. If the month during which
8 such tax liability is incurred begins on or after January 1,
9 1989, and prior to January 1, 1996, each payment shall be in an
10 amount equal to 22.5% of the taxpayer's actual liability for
11 the month or 25% of the taxpayer's liability for the same
12 calendar month of the preceding year or 100% of the taxpayer's
13 actual liability for the quarter monthly reporting period. The
14 amount of such quarter monthly payments shall be credited
15 against the final tax liability of the taxpayer's return for
16 that month. Before October 1, 2000, once applicable, the
17 requirement of the making of quarter monthly payments to the
18 Department by taxpayers having an average monthly tax liability
19 of \$10,000 or more as determined in the manner provided above
20 shall continue until such taxpayer's average monthly liability
21 to the Department during the preceding 4 complete calendar
22 quarters (excluding the month of highest liability and the
23 month of lowest liability) is less than \$9,000, or until such
24 taxpayer's average monthly liability to the Department as
25 computed for each calendar quarter of the 4 preceding complete
26 calendar quarter period is less than \$10,000. However, if a

1 taxpayer can show the Department that a substantial change in
2 the taxpayer's business has occurred which causes the taxpayer
3 to anticipate that his average monthly tax liability for the
4 reasonably foreseeable future will fall below the \$10,000
5 threshold stated above, then such taxpayer may petition the
6 Department for a change in such taxpayer's reporting status. On
7 and after October 1, 2000, once applicable, the requirement of
8 the making of quarter monthly payments to the Department by
9 taxpayers having an average monthly tax liability of \$20,000 or
10 more as determined in the manner provided above shall continue
11 until such taxpayer's average monthly liability to the
12 Department during the preceding 4 complete calendar quarters
13 (excluding the month of highest liability and the month of
14 lowest liability) is less than \$19,000 or until such taxpayer's
15 average monthly liability to the Department as computed for
16 each calendar quarter of the 4 preceding complete calendar
17 quarter period is less than \$20,000. However, if a taxpayer can
18 show the Department that a substantial change in the taxpayer's
19 business has occurred which causes the taxpayer to anticipate
20 that his average monthly tax liability for the reasonably
21 foreseeable future will fall below the \$20,000 threshold stated
22 above, then such taxpayer may petition the Department for a
23 change in such taxpayer's reporting status. The Department
24 shall change such taxpayer's reporting status unless it finds
25 that such change is seasonal in nature and not likely to be
26 long term. If any such quarter monthly payment is not paid at

1 the time or in the amount required by this Section, then the
2 taxpayer shall be liable for penalties and interest on the
3 difference between the minimum amount due as a payment and the
4 amount of such quarter monthly payment actually and timely
5 paid, except insofar as the taxpayer has previously made
6 payments for that month to the Department in excess of the
7 minimum payments previously due as provided in this Section.
8 The Department shall make reasonable rules and regulations to
9 govern the quarter monthly payment amount and quarter monthly
10 payment dates for taxpayers who file on other than a calendar
11 monthly basis.

12 The provisions of this paragraph apply before October 1,
13 2001. Without regard to whether a taxpayer is required to make
14 quarter monthly payments as specified above, any taxpayer who
15 is required by Section 2d of this Act to collect and remit
16 prepaid taxes and has collected prepaid taxes which average in
17 excess of \$25,000 per month during the preceding 2 complete
18 calendar quarters, shall file a return with the Department as
19 required by Section 2f and shall make payments to the
20 Department on or before the 7th, 15th, 22nd and last day of the
21 month during which such liability is incurred. If the month
22 during which such tax liability is incurred began prior to the
23 effective date of this amendatory Act of 1985, each payment
24 shall be in an amount not less than 22.5% of the taxpayer's
25 actual liability under Section 2d. If the month during which
26 such tax liability is incurred begins on or after January 1,

1 1986, each payment shall be in an amount equal to 22.5% of the
2 taxpayer's actual liability for the month or 27.5% of the
3 taxpayer's liability for the same calendar month of the
4 preceding calendar year. If the month during which such tax
5 liability is incurred begins on or after January 1, 1987, each
6 payment shall be in an amount equal to 22.5% of the taxpayer's
7 actual liability for the month or 26.25% of the taxpayer's
8 liability for the same calendar month of the preceding year.
9 The amount of such quarter monthly payments shall be credited
10 against the final tax liability of the taxpayer's return for
11 that month filed under this Section or Section 2f, as the case
12 may be. Once applicable, the requirement of the making of
13 quarter monthly payments to the Department pursuant to this
14 paragraph shall continue until such taxpayer's average monthly
15 prepaid tax collections during the preceding 2 complete
16 calendar quarters is \$25,000 or less. If any such quarter
17 monthly payment is not paid at the time or in the amount
18 required, the taxpayer shall be liable for penalties and
19 interest on such difference, except insofar as the taxpayer has
20 previously made payments for that month in excess of the
21 minimum payments previously due.

22 The provisions of this paragraph apply on and after October
23 1, 2001. Without regard to whether a taxpayer is required to
24 make quarter monthly payments as specified above, any taxpayer
25 who is required by Section 2d of this Act to collect and remit
26 prepaid taxes and has collected prepaid taxes that average in

1 excess of \$20,000 per month during the preceding 4 complete
2 calendar quarters shall file a return with the Department as
3 required by Section 2f and shall make payments to the
4 Department on or before the 7th, 15th, 22nd and last day of the
5 month during which the liability is incurred. Each payment
6 shall be in an amount equal to 22.5% of the taxpayer's actual
7 liability for the month or 25% of the taxpayer's liability for
8 the same calendar month of the preceding year. The amount of
9 the quarter monthly payments shall be credited against the
10 final tax liability of the taxpayer's return for that month
11 filed under this Section or Section 2f, as the case may be.
12 Once applicable, the requirement of the making of quarter
13 monthly payments to the Department pursuant to this paragraph
14 shall continue until the taxpayer's average monthly prepaid tax
15 collections during the preceding 4 complete calendar quarters
16 (excluding the month of highest liability and the month of
17 lowest liability) is less than \$19,000 or until such taxpayer's
18 average monthly liability to the Department as computed for
19 each calendar quarter of the 4 preceding complete calendar
20 quarters is less than \$20,000. If any such quarter monthly
21 payment is not paid at the time or in the amount required, the
22 taxpayer shall be liable for penalties and interest on such
23 difference, except insofar as the taxpayer has previously made
24 payments for that month in excess of the minimum payments
25 previously due.

26 If any payment provided for in this Section exceeds the

1 taxpayer's liabilities under this Act, the Use Tax Act, the
2 Service Occupation Tax Act and the Service Use Tax Act, as
3 shown on an original monthly return, the Department shall, if
4 requested by the taxpayer, issue to the taxpayer a credit
5 memorandum no later than 30 days after the date of payment. The
6 credit evidenced by such credit memorandum may be assigned by
7 the taxpayer to a similar taxpayer under this Act, the Use Tax
8 Act, the Service Occupation Tax Act or the Service Use Tax Act,
9 in accordance with reasonable rules and regulations to be
10 prescribed by the Department. If no such request is made, the
11 taxpayer may credit such excess payment against tax liability
12 subsequently to be remitted to the Department under this Act,
13 the Use Tax Act, the Service Occupation Tax Act or the Service
14 Use Tax Act, in accordance with reasonable rules and
15 regulations prescribed by the Department. If the Department
16 subsequently determined that all or any part of the credit
17 taken was not actually due to the taxpayer, the taxpayer's 2.1%
18 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
19 of the difference between the credit taken and that actually
20 due, and that taxpayer shall be liable for penalties and
21 interest on such difference.

22 If a retailer of motor fuel is entitled to a credit under
23 Section 2d of this Act which exceeds the taxpayer's liability
24 to the Department under this Act for the month which the
25 taxpayer is filing a return, the Department shall issue the
26 taxpayer a credit memorandum for the excess.

1 Beginning January 1, 1990, each month the Department shall
2 pay into the Local Government Tax Fund, a special fund in the
3 State treasury which is hereby created, the net revenue
4 realized for the preceding month from the 1% tax on sales of
5 food for human consumption which is to be consumed off the
6 premises where it is sold (other than alcoholic beverages, soft
7 drinks and food which has been prepared for immediate
8 consumption) and prescription and nonprescription medicines,
9 drugs, medical appliances and insulin, urine testing
10 materials, syringes and needles used by diabetics.

11 Beginning January 1, 1990, each month the Department shall
12 pay into the County and Mass Transit District Fund, a special
13 fund in the State treasury which is hereby created, 4% of the
14 net revenue realized for the preceding month from the 6.25%
15 general rate.

16 Beginning August 1, 2000, each month the Department shall
17 pay into the County and Mass Transit District Fund 20% of the
18 net revenue realized for the preceding month from the 1.25%
19 rate on the selling price of motor fuel and gasohol.

20 Beginning January 1, 1990, each month the Department shall
21 pay into the Local Government Tax Fund 16% of the net revenue
22 realized for the preceding month from the 6.25% general rate on
23 the selling price of tangible personal property.

24 Beginning August 1, 2000, each month the Department shall
25 pay into the Local Government Tax Fund 80% of the net revenue
26 realized for the preceding month from the 1.25% rate on the

1 selling price of motor fuel and gasohol.

2 Of the remainder of the moneys received by the Department
3 pursuant to this Act, (a) 1.75% thereof shall be paid into the
4 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
5 and after July 1, 1989, 3.8% thereof shall be paid into the
6 Build Illinois Fund; provided, however, that if in any fiscal
7 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
8 may be, of the moneys received by the Department and required
9 to be paid into the Build Illinois Fund pursuant to this Act,
10 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
11 Act, and Section 9 of the Service Occupation Tax Act, such Acts
12 being hereinafter called the "Tax Acts" and such aggregate of
13 2.2% or 3.8%, as the case may be, of moneys being hereinafter
14 called the "Tax Act Amount", and (2) the amount transferred to
15 the Build Illinois Fund from the State and Local Sales Tax
16 Reform Fund shall be less than the Annual Specified Amount (as
17 hereinafter defined), an amount equal to the difference shall
18 be immediately paid into the Build Illinois Fund from other
19 moneys received by the Department pursuant to the Tax Acts; the
20 "Annual Specified Amount" means the amounts specified below for
21 fiscal years 1986 through 1993:

22	Fiscal Year	Annual Specified Amount
23	1986	\$54,800,000
24	1987	\$76,650,000
25	1988	\$80,480,000
26	1989	\$88,510,000

1	1990	\$115,330,000
2	1991	\$145,470,000
3	1992	\$182,730,000
4	1993	\$206,520,000;

5 and means the Certified Annual Debt Service Requirement (as
6 defined in Section 13 of the Build Illinois Bond Act) or the
7 Tax Act Amount, whichever is greater, for fiscal year 1994 and
8 each fiscal year thereafter; and further provided, that if on
9 the last business day of any month the sum of (1) the Tax Act
10 Amount required to be deposited into the Build Illinois Bond
11 Account in the Build Illinois Fund during such month and (2)
12 the amount transferred to the Build Illinois Fund from the
13 State and Local Sales Tax Reform Fund shall have been less than
14 1/12 of the Annual Specified Amount, an amount equal to the
15 difference shall be immediately paid into the Build Illinois
16 Fund from other moneys received by the Department pursuant to
17 the Tax Acts; and, further provided, that in no event shall the
18 payments required under the preceding proviso result in
19 aggregate payments into the Build Illinois Fund pursuant to
20 this clause (b) for any fiscal year in excess of the greater of
21 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
22 such fiscal year. The amounts payable into the Build Illinois
23 Fund under clause (b) of the first sentence in this paragraph
24 shall be payable only until such time as the aggregate amount
25 on deposit under each trust indenture securing Bonds issued and
26 outstanding pursuant to the Build Illinois Bond Act is

1 sufficient, taking into account any future investment income,
2 to fully provide, in accordance with such indenture, for the
3 defeasance of or the payment of the principal of, premium, if
4 any, and interest on the Bonds secured by such indenture and on
5 any Bonds expected to be issued thereafter and all fees and
6 costs payable with respect thereto, all as certified by the
7 Director of the Bureau of the Budget (now Governor's Office of
8 Management and Budget). If on the last business day of any
9 month in which Bonds are outstanding pursuant to the Build
10 Illinois Bond Act, the aggregate of moneys deposited in the
11 Build Illinois Bond Account in the Build Illinois Fund in such
12 month shall be less than the amount required to be transferred
13 in such month from the Build Illinois Bond Account to the Build
14 Illinois Bond Retirement and Interest Fund pursuant to Section
15 13 of the Build Illinois Bond Act, an amount equal to such
16 deficiency shall be immediately paid from other moneys received
17 by the Department pursuant to the Tax Acts to the Build
18 Illinois Fund; provided, however, that any amounts paid to the
19 Build Illinois Fund in any fiscal year pursuant to this
20 sentence shall be deemed to constitute payments pursuant to
21 clause (b) of the first sentence of this paragraph and shall
22 reduce the amount otherwise payable for such fiscal year
23 pursuant to that clause (b). The moneys received by the
24 Department pursuant to this Act and required to be deposited
25 into the Build Illinois Fund are subject to the pledge, claim
26 and charge set forth in Section 12 of the Build Illinois Bond

1 Act.

2 Subject to payment of amounts into the Build Illinois Fund
 3 as provided in the preceding paragraph or in any amendment
 4 thereto hereafter enacted, the following specified monthly
 5 installment of the amount requested in the certificate of the
 6 Chairman of the Metropolitan Pier and Exposition Authority
 7 provided under Section 8.25f of the State Finance Act, but not
 8 in excess of sums designated as "Total Deposit", shall be
 9 deposited in the aggregate from collections under Section 9 of
 10 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
 11 9 of the Service Occupation Tax Act, and Section 3 of the
 12 Retailers' Occupation Tax Act into the McCormick Place
 13 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
15	1993	\$0
16	1994	53,000,000
17	1995	58,000,000
18	1996	61,000,000
19	1997	64,000,000
20	1998	68,000,000
21	1999	71,000,000
22	2000	75,000,000
23	2001	80,000,000
24	2002	93,000,000
25	2003	99,000,000

1	2004	103,000,000
2	2005	108,000,000
3	2006	113,000,000
4	2007	119,000,000
5	2008	126,000,000
6	2009	132,000,000
7	2010	139,000,000
8	2011	146,000,000
9	2012	153,000,000
10	2013	161,000,000
11	2014	170,000,000
12	2015	179,000,000
13	2016	189,000,000
14	2017	199,000,000
15	2018	210,000,000
16	2019	221,000,000
17	2020	233,000,000
18	2021	246,000,000
19	2022	260,000,000
20	2023 and	275,000,000

21 each fiscal year
 22 thereafter that bonds
 23 are outstanding under
 24 Section 13.2 of the
 25 Metropolitan Pier and
 26 Exposition Authority Act,

1 but not after fiscal year 2042.

2 Beginning July 20, 1993 and in each month of each fiscal
3 year thereafter, one-eighth of the amount requested in the
4 certificate of the Chairman of the Metropolitan Pier and
5 Exposition Authority for that fiscal year, less the amount
6 deposited into the McCormick Place Expansion Project Fund by
7 the State Treasurer in the respective month under subsection
8 (g) of Section 13 of the Metropolitan Pier and Exposition
9 Authority Act, plus cumulative deficiencies in the deposits
10 required under this Section for previous months and years,
11 shall be deposited into the McCormick Place Expansion Project
12 Fund, until the full amount requested for the fiscal year, but
13 not in excess of the amount specified above as "Total Deposit",
14 has been deposited.

15 Subject to payment of amounts into the Build Illinois Fund
16 and the McCormick Place Expansion Project Fund pursuant to the
17 preceding paragraphs or in any amendments thereto hereafter
18 enacted, beginning July 1, 1993, the Department shall each
19 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
20 the net revenue realized for the preceding month from the 6.25%
21 general rate on the selling price of tangible personal
22 property.

23 Subject to payment of amounts into the Build Illinois Fund
24 and the McCormick Place Expansion Project Fund pursuant to the
25 preceding paragraphs or in any amendments thereto hereafter
26 enacted, beginning with the receipt of the first report of

1 taxes paid by an eligible business and continuing for a 25-year
2 period, the Department shall each month pay into the Energy
3 Infrastructure Fund 80% of the net revenue realized from the
4 6.25% general rate on the selling price of Illinois-mined coal
5 that was sold to an eligible business. For purposes of this
6 paragraph, the term "eligible business" means a new electric
7 generating facility certified pursuant to Section 605-332 of
8 the Department of Commerce and Economic Opportunity Law of the
9 Civil Administrative Code of Illinois.

10 Of the remainder of the moneys received by the Department
11 pursuant to this Act, 25% of the moneys from the tax on motor
12 fuel, as estimated by the Department, shall be reserved in a
13 special account and used only for the transfer to the Common
14 School Fund as part of the monthly transfer from the General
15 Revenue Fund in accordance with Section 8a of the State Finance
16 Act and 75% of the moneys from the tax on motor fuel, as
17 estimated by the Department, shall, beginning on July 1, 2008,
18 be paid into (i) the Illinois Works Debt Service Fund until
19 \$100,000,000 is paid into the Illinois Works Debt Service Fund
20 during the State fiscal year and (ii) the General Revenue Fund
21 thereafter.

22 Of the remainder of the moneys received by the Department
23 pursuant to this Act, 75% thereof shall be paid into the State
24 Treasury and 25% shall be reserved in a special account and
25 used only for the transfer to the Common School Fund as part of
26 the monthly transfer from the General Revenue Fund in

1 accordance with Section 8a of the State Finance Act.

2 The Department may, upon separate written notice to a
3 taxpayer, require the taxpayer to prepare and file with the
4 Department on a form prescribed by the Department within not
5 less than 60 days after receipt of the notice an annual
6 information return for the tax year specified in the notice.
7 Such annual return to the Department shall include a statement
8 of gross receipts as shown by the retailer's last Federal
9 income tax return. If the total receipts of the business as
10 reported in the Federal income tax return do not agree with the
11 gross receipts reported to the Department of Revenue for the
12 same period, the retailer shall attach to his annual return a
13 schedule showing a reconciliation of the 2 amounts and the
14 reasons for the difference. The retailer's annual return to the
15 Department shall also disclose the cost of goods sold by the
16 retailer during the year covered by such return, opening and
17 closing inventories of such goods for such year, costs of goods
18 used from stock or taken from stock and given away by the
19 retailer during such year, payroll information of the
20 retailer's business during such year and any additional
21 reasonable information which the Department deems would be
22 helpful in determining the accuracy of the monthly, quarterly
23 or annual returns filed by such retailer as provided for in
24 this Section.

25 If the annual information return required by this Section
26 is not filed when and as required, the taxpayer shall be liable

1 as follows:

2 (i) Until January 1, 1994, the taxpayer shall be liable
3 for a penalty equal to 1/6 of 1% of the tax due from such
4 taxpayer under this Act during the period to be covered by
5 the annual return for each month or fraction of a month
6 until such return is filed as required, the penalty to be
7 assessed and collected in the same manner as any other
8 penalty provided for in this Act.

9 (ii) On and after January 1, 1994, the taxpayer shall
10 be liable for a penalty as described in Section 3-4 of the
11 Uniform Penalty and Interest Act.

12 The chief executive officer, proprietor, owner or highest
13 ranking manager shall sign the annual return to certify the
14 accuracy of the information contained therein. Any person who
15 willfully signs the annual return containing false or
16 inaccurate information shall be guilty of perjury and punished
17 accordingly. The annual return form prescribed by the
18 Department shall include a warning that the person signing the
19 return may be liable for perjury.

20 The provisions of this Section concerning the filing of an
21 annual information return do not apply to a retailer who is not
22 required to file an income tax return with the United States
23 Government.

24 As soon as possible after the first day of each month, upon
25 certification of the Department of Revenue, the Comptroller
26 shall order transferred and the Treasurer shall transfer from

1 the General Revenue Fund to the Motor Fuel Tax Fund an amount
2 equal to 1.7% of 80% of the net revenue realized under this Act
3 for the second preceding month. Beginning April 1, 2000, this
4 transfer is no longer required and shall not be made.

5 Net revenue realized for a month shall be the revenue
6 collected by the State pursuant to this Act, less the amount
7 paid out during that month as refunds to taxpayers for
8 overpayment of liability.

9 For greater simplicity of administration, manufacturers,
10 importers and wholesalers whose products are sold at retail in
11 Illinois by numerous retailers, and who wish to do so, may
12 assume the responsibility for accounting and paying to the
13 Department all tax accruing under this Act with respect to such
14 sales, if the retailers who are affected do not make written
15 objection to the Department to this arrangement.

16 Any person who promotes, organizes, provides retail
17 selling space for concessionaires or other types of sellers at
18 the Illinois State Fair, DuQuoin State Fair, county fairs,
19 local fairs, art shows, flea markets and similar exhibitions or
20 events, including any transient merchant as defined by Section
21 2 of the Transient Merchant Act of 1987, is required to file a
22 report with the Department providing the name of the merchant's
23 business, the name of the person or persons engaged in
24 merchant's business, the permanent address and Illinois
25 Retailers Occupation Tax Registration Number of the merchant,
26 the dates and location of the event and other reasonable

1 information that the Department may require. The report must be
2 filed not later than the 20th day of the month next following
3 the month during which the event with retail sales was held.
4 Any person who fails to file a report required by this Section
5 commits a business offense and is subject to a fine not to
6 exceed \$250.

7 Any person engaged in the business of selling tangible
8 personal property at retail as a concessionaire or other type
9 of seller at the Illinois State Fair, county fairs, art shows,
10 flea markets and similar exhibitions or events, or any
11 transient merchants, as defined by Section 2 of the Transient
12 Merchant Act of 1987, may be required to make a daily report of
13 the amount of such sales to the Department and to make a daily
14 payment of the full amount of tax due. The Department shall
15 impose this requirement when it finds that there is a
16 significant risk of loss of revenue to the State at such an
17 exhibition or event. Such a finding shall be based on evidence
18 that a substantial number of concessionaires or other sellers
19 who are not residents of Illinois will be engaging in the
20 business of selling tangible personal property at retail at the
21 exhibition or event, or other evidence of a significant risk of
22 loss of revenue to the State. The Department shall notify
23 concessionaires and other sellers affected by the imposition of
24 this requirement. In the absence of notification by the
25 Department, the concessionaires and other sellers shall file
26 their returns as otherwise required in this Section.

1 (Source: P.A. 94-1074, eff. 12-26-06; 95-331, eff. 8-21-07.)

2 Section 90-22. The Illinois Pension Code is amended by
3 changing Sections 14-110, 14-111, 14-152.1, 18-127, and 18-169
4 as follows:

5 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)

6 Sec. 14-110. Alternative retirement annuity.

7 (a) Any member who has withdrawn from service with not less
8 than 20 years of eligible creditable service and has attained
9 age 55, and any member who has withdrawn from service with not
10 less than 25 years of eligible creditable service and has
11 attained age 50, regardless of whether the attainment of either
12 of the specified ages occurs while the member is still in
13 service, shall be entitled to receive at the option of the
14 member, in lieu of the regular or minimum retirement annuity, a
15 retirement annuity computed as follows:

16 (i) for periods of service as a noncovered employee: if
17 retirement occurs on or after January 1, 2001, 3% of final
18 average compensation for each year of creditable service;
19 if retirement occurs before January 1, 2001, 2 1/4% of
20 final average compensation for each of the first 10 years
21 of creditable service, 2 1/2% for each year above 10 years
22 to and including 20 years of creditable service, and 2 3/4%
23 for each year of creditable service above 20 years; and

24 (ii) for periods of eligible creditable service as a

1 covered employee: if retirement occurs on or after January
2 1, 2001, 2.5% of final average compensation for each year
3 of creditable service; if retirement occurs before January
4 1, 2001, 1.67% of final average compensation for each of
5 the first 10 years of such service, 1.90% for each of the
6 next 10 years of such service, 2.10% for each year of such
7 service in excess of 20 but not exceeding 30, and 2.30% for
8 each year in excess of 30.

9 Such annuity shall be subject to a maximum of 75% of final
10 average compensation if retirement occurs before January 1,
11 2001 or to a maximum of 80% of final average compensation if
12 retirement occurs on or after January 1, 2001.

13 These rates shall not be applicable to any service
14 performed by a member as a covered employee which is not
15 eligible creditable service. Service as a covered employee
16 which is not eligible creditable service shall be subject to
17 the rates and provisions of Section 14-108.

18 (b) For the purpose of this Section, "eligible creditable
19 service" means creditable service resulting from service in one
20 or more of the following positions:

21 (1) State policeman;

22 (2) fire fighter in the fire protection service of a
23 department;

24 (3) air pilot;

25 (4) special agent;

26 (5) investigator for the Secretary of State;

- 1 (6) conservation police officer;
- 2 (7) investigator for the Department of Revenue;
- 3 (7.5) investigator for the Office of Gaming
4 Enforcement;
- 5 (8) security employee of the Department of Human
6 Services;
- 7 (9) Central Management Services security police
8 officer;
- 9 (10) security employee of the Department of
10 Corrections or the Department of Juvenile Justice;
- 11 (11) dangerous drugs investigator;
- 12 (12) investigator for the Department of State Police;
- 13 (13) investigator for the Office of the Attorney
14 General;
- 15 (14) controlled substance inspector;
- 16 (15) investigator for the Office of the State's
17 Attorneys Appellate Prosecutor;
- 18 (16) Commerce Commission police officer;
- 19 (17) arson investigator;
- 20 (18) State highway maintenance worker.

21 A person employed in one of the positions specified in this
22 subsection is entitled to eligible creditable service for
23 service credit earned under this Article while undergoing the
24 basic police training course approved by the Illinois Law
25 Enforcement Training Standards Board, if completion of that
26 training is required of persons serving in that position. For

1 the purposes of this Code, service during the required basic
2 police training course shall be deemed performance of the
3 duties of the specified position, even though the person is not
4 a sworn peace officer at the time of the training.

5 (c) For the purposes of this Section:

6 (1) The term "state policeman" includes any title or
7 position in the Department of State Police that is held by
8 an individual employed under the State Police Act.

9 (2) The term "fire fighter in the fire protection
10 service of a department" includes all officers in such fire
11 protection service including fire chiefs and assistant
12 fire chiefs.

13 (3) The term "air pilot" includes any employee whose
14 official job description on file in the Department of
15 Central Management Services, or in the department by which
16 he is employed if that department is not covered by the
17 Personnel Code, states that his principal duty is the
18 operation of aircraft, and who possesses a pilot's license;
19 however, the change in this definition made by this
20 amendatory Act of 1983 shall not operate to exclude any
21 noncovered employee who was an "air pilot" for the purposes
22 of this Section on January 1, 1984.

23 (4) The term "special agent" means any person who by
24 reason of employment by the Division of Narcotic Control,
25 the Bureau of Investigation or, after July 1, 1977, the
26 Division of Criminal Investigation, the Division of

1 Internal Investigation, the Division of Operations, or any
2 other Division or organizational entity in the Department
3 of State Police is vested by law with duties to maintain
4 public order, investigate violations of the criminal law of
5 this State, enforce the laws of this State, make arrests
6 and recover property. The term "special agent" includes any
7 title or position in the Department of State Police that is
8 held by an individual employed under the State Police Act.

9 (5) The term "investigator for the Secretary of State"
10 means any person employed by the Office of the Secretary of
11 State and vested with such investigative duties as render
12 him ineligible for coverage under the Social Security Act
13 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
14 218(1)(1) of that Act.

15 A person who became employed as an investigator for the
16 Secretary of State between January 1, 1967 and December 31,
17 1975, and who has served as such until attainment of age
18 60, either continuously or with a single break in service
19 of not more than 3 years duration, which break terminated
20 before January 1, 1976, shall be entitled to have his
21 retirement annuity calculated in accordance with
22 subsection (a), notwithstanding that he has less than 20
23 years of credit for such service.

24 (6) The term "Conservation Police Officer" means any
25 person employed by the Division of Law Enforcement of the
26 Department of Natural Resources and vested with such law

1 enforcement duties as render him ineligible for coverage
2 under the Social Security Act by reason of Sections
3 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act. The
4 term "Conservation Police Officer" includes the positions
5 of Chief Conservation Police Administrator and Assistant
6 Conservation Police Administrator.

7 (7) The term "investigator for the Department of
8 Revenue" means any person employed by the Department of
9 Revenue and vested with such investigative duties as render
10 him ineligible for coverage under the Social Security Act
11 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
12 218(1)(1) of that Act.

13 (7.5) The term "investigator for the Office of Gaming
14 Enforcement" means any person employed as such by the
15 Office of Gaming Enforcement and vested with such peace
16 officer duties as render the person ineligible for coverage
17 under the Social Security Act by reason of Sections
18 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act, but
19 only to the extent that a member received creditable
20 service under this Section prior to such employment.

21 (8) The term "security employee of the Department of
22 Human Services" means any person employed by the Department
23 of Human Services who (i) is employed at the Chester Mental
24 Health Center and has daily contact with the residents
25 thereof, (ii) is employed within a security unit at a
26 facility operated by the Department and has daily contact

1 with the residents of the security unit, (iii) is employed
2 at a facility operated by the Department that includes a
3 security unit and is regularly scheduled to work at least
4 50% of his or her working hours within that security unit,
5 or (iv) is a mental health police officer. "Mental health
6 police officer" means any person employed by the Department
7 of Human Services in a position pertaining to the
8 Department's mental health and developmental disabilities
9 functions who is vested with such law enforcement duties as
10 render the person ineligible for coverage under the Social
11 Security Act by reason of Sections 218(d)(5)(A),
12 218(d)(8)(D) and 218(1)(1) of that Act. "Security unit"
13 means that portion of a facility that is devoted to the
14 care, containment, and treatment of persons committed to
15 the Department of Human Services as sexually violent
16 persons, persons unfit to stand trial, or persons not
17 guilty by reason of insanity. With respect to past
18 employment, references to the Department of Human Services
19 include its predecessor, the Department of Mental Health
20 and Developmental Disabilities.

21 The changes made to this subdivision (c)(8) by Public
22 Act 92-14 apply to persons who retire on or after January
23 1, 2001, notwithstanding Section 1-103.1.

24 (9) "Central Management Services security police
25 officer" means any person employed by the Department of
26 Central Management Services who is vested with such law

1 enforcement duties as render him ineligible for coverage
2 under the Social Security Act by reason of Sections
3 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

4 (10) For a member who first became an employee under
5 this Article before July 1, 2005, the term "security
6 employee of the Department of Corrections or the Department
7 of Juvenile Justice" means any employee of the Department
8 of Corrections or the Department of Juvenile Justice or the
9 former Department of Personnel, and any member or employee
10 of the Prisoner Review Board, who has daily contact with
11 inmates or youth by working within a correctional facility
12 or Juvenile facility operated by the Department of Juvenile
13 Justice or who is a parole officer or an employee who has
14 direct contact with committed persons in the performance of
15 his or her job duties. For a member who first becomes an
16 employee under this Article on or after July 1, 2005, the
17 term means an employee of the Department of Corrections or
18 the Department of Juvenile Justice who is any of the
19 following: (i) officially headquartered at a correctional
20 facility or Juvenile facility operated by the Department of
21 Juvenile Justice, (ii) a parole officer, (iii) a member of
22 the apprehension unit, (iv) a member of the intelligence
23 unit, (v) a member of the sort team, or (vi) an
24 investigator.

25 (11) The term "dangerous drugs investigator" means any
26 person who is employed as such by the Department of Human

1 Services.

2 (12) The term "investigator for the Department of State
3 Police" means a person employed by the Department of State
4 Police who is vested under Section 4 of the Narcotic
5 Control Division Abolition Act with such law enforcement
6 powers as render him ineligible for coverage under the
7 Social Security Act by reason of Sections 218(d)(5)(A),
8 218(d)(8)(D) and 218(1)(1) of that Act.

9 (13) "Investigator for the Office of the Attorney
10 General" means any person who is employed as such by the
11 Office of the Attorney General and is vested with such
12 investigative duties as render him ineligible for coverage
13 under the Social Security Act by reason of Sections
14 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For
15 the period before January 1, 1989, the term includes all
16 persons who were employed as investigators by the Office of
17 the Attorney General, without regard to social security
18 status.

19 (14) "Controlled substance inspector" means any person
20 who is employed as such by the Department of Professional
21 Regulation and is vested with such law enforcement duties
22 as render him ineligible for coverage under the Social
23 Security Act by reason of Sections 218(d)(5)(A),
24 218(d)(8)(D) and 218(1)(1) of that Act. The term
25 "controlled substance inspector" includes the Program
26 Executive of Enforcement and the Assistant Program

1 Executive of Enforcement.

2 (15) The term "investigator for the Office of the
3 State's Attorneys Appellate Prosecutor" means a person
4 employed in that capacity on a full time basis under the
5 authority of Section 7.06 of the State's Attorneys
6 Appellate Prosecutor's Act.

7 (16) "Commerce Commission police officer" means any
8 person employed by the Illinois Commerce Commission who is
9 vested with such law enforcement duties as render him
10 ineligible for coverage under the Social Security Act by
11 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
12 218(1)(1) of that Act.

13 (17) "Arson investigator" means any person who is
14 employed as such by the Office of the State Fire Marshal
15 and is vested with such law enforcement duties as render
16 the person ineligible for coverage under the Social
17 Security Act by reason of Sections 218(d)(5)(A),
18 218(d)(8)(D), and 218(1)(1) of that Act. A person who was
19 employed as an arson investigator on January 1, 1995 and is
20 no longer in service but not yet receiving a retirement
21 annuity may convert his or her creditable service for
22 employment as an arson investigator into eligible
23 creditable service by paying to the System the difference
24 between the employee contributions actually paid for that
25 service and the amounts that would have been contributed if
26 the applicant were contributing at the rate applicable to

1 persons with the same social security status earning
2 eligible creditable service on the date of application.

3 (18) The term "State highway maintenance worker" means
4 a person who is either of the following:

5 (i) A person employed on a full-time basis by the
6 Illinois Department of Transportation in the position
7 of highway maintainer, highway maintenance lead
8 worker, highway maintenance lead/lead worker, heavy
9 construction equipment operator, power shovel
10 operator, or bridge mechanic; and whose principal
11 responsibility is to perform, on the roadway, the
12 actual maintenance necessary to keep the highways that
13 form a part of the State highway system in serviceable
14 condition for vehicular traffic.

15 (ii) A person employed on a full-time basis by the
16 Illinois State Toll Highway Authority in the position
17 of equipment operator/laborer H-4, equipment
18 operator/laborer H-6, welder H-4, welder H-6,
19 mechanical/electrical H-4, mechanical/electrical H-6,
20 water/sewer H-4, water/sewer H-6, sign maker/hanger
21 H-4, sign maker/hanger H-6, roadway lighting H-4,
22 roadway lighting H-6, structural H-4, structural H-6,
23 painter H-4, or painter H-6; and whose principal
24 responsibility is to perform, on the roadway, the
25 actual maintenance necessary to keep the Authority's
26 tollways in serviceable condition for vehicular

1 traffic.

2 (d) A security employee of the Department of Corrections or
3 the Department of Juvenile Justice, and a security employee of
4 the Department of Human Services who is not a mental health
5 police officer, shall not be eligible for the alternative
6 retirement annuity provided by this Section unless he or she
7 meets the following minimum age and service requirements at the
8 time of retirement:

9 (i) 25 years of eligible creditable service and age 55;

10 or

11 (ii) beginning January 1, 1987, 25 years of eligible
12 creditable service and age 54, or 24 years of eligible
13 creditable service and age 55; or

14 (iii) beginning January 1, 1988, 25 years of eligible
15 creditable service and age 53, or 23 years of eligible
16 creditable service and age 55; or

17 (iv) beginning January 1, 1989, 25 years of eligible
18 creditable service and age 52, or 22 years of eligible
19 creditable service and age 55; or

20 (v) beginning January 1, 1990, 25 years of eligible
21 creditable service and age 51, or 21 years of eligible
22 creditable service and age 55; or

23 (vi) beginning January 1, 1991, 25 years of eligible
24 creditable service and age 50, or 20 years of eligible
25 creditable service and age 55.

26 Persons who have service credit under Article 16 of this

1 Code for service as a security employee of the Department of
2 Corrections or the Department of Juvenile Justice, or the
3 Department of Human Services in a position requiring
4 certification as a teacher may count such service toward
5 establishing their eligibility under the service requirements
6 of this Section; but such service may be used only for
7 establishing such eligibility, and not for the purpose of
8 increasing or calculating any benefit.

9 (e) If a member enters military service while working in a
10 position in which eligible creditable service may be earned,
11 and returns to State service in the same or another such
12 position, and fulfills in all other respects the conditions
13 prescribed in this Article for credit for military service,
14 such military service shall be credited as eligible creditable
15 service for the purposes of the retirement annuity prescribed
16 in this Section.

17 (f) For purposes of calculating retirement annuities under
18 this Section, periods of service rendered after December 31,
19 1968 and before October 1, 1975 as a covered employee in the
20 position of special agent, conservation police officer, mental
21 health police officer, or investigator for the Secretary of
22 State, shall be deemed to have been service as a noncovered
23 employee, provided that the employee pays to the System prior
24 to retirement an amount equal to (1) the difference between the
25 employee contributions that would have been required for such
26 service as a noncovered employee, and the amount of employee

1 contributions actually paid, plus (2) if payment is made after
2 July 31, 1987, regular interest on the amount specified in item
3 (1) from the date of service to the date of payment.

4 For purposes of calculating retirement annuities under
5 this Section, periods of service rendered after December 31,
6 1968 and before January 1, 1982 as a covered employee in the
7 position of investigator for the Department of Revenue shall be
8 deemed to have been service as a noncovered employee, provided
9 that the employee pays to the System prior to retirement an
10 amount equal to (1) the difference between the employee
11 contributions that would have been required for such service as
12 a noncovered employee, and the amount of employee contributions
13 actually paid, plus (2) if payment is made after January 1,
14 1990, regular interest on the amount specified in item (1) from
15 the date of service to the date of payment.

16 (g) A State policeman may elect, not later than January 1,
17 1990, to establish eligible creditable service for up to 10
18 years of his service as a policeman under Article 3, by filing
19 a written election with the Board, accompanied by payment of an
20 amount to be determined by the Board, equal to (i) the
21 difference between the amount of employee and employer
22 contributions transferred to the System under Section 3-110.5,
23 and the amounts that would have been contributed had such
24 contributions been made at the rates applicable to State
25 policemen, plus (ii) interest thereon at the effective rate for
26 each year, compounded annually, from the date of service to the

1 date of payment.

2 Subject to the limitation in subsection (i), a State
3 policeman may elect, not later than July 1, 1993, to establish
4 eligible creditable service for up to 10 years of his service
5 as a member of the County Police Department under Article 9, by
6 filing a written election with the Board, accompanied by
7 payment of an amount to be determined by the Board, equal to
8 (i) the difference between the amount of employee and employer
9 contributions transferred to the System under Section 9-121.10
10 and the amounts that would have been contributed had those
11 contributions been made at the rates applicable to State
12 policemen, plus (ii) interest thereon at the effective rate for
13 each year, compounded annually, from the date of service to the
14 date of payment.

15 (h) Subject to the limitation in subsection (i), a State
16 policeman or investigator for the Secretary of State may elect
17 to establish eligible creditable service for up to 12 years of
18 his service as a policeman under Article 5, by filing a written
19 election with the Board on or before January 31, 1992, and
20 paying to the System by January 31, 1994 an amount to be
21 determined by the Board, equal to (i) the difference between
22 the amount of employee and employer contributions transferred
23 to the System under Section 5-236, and the amounts that would
24 have been contributed had such contributions been made at the
25 rates applicable to State policemen, plus (ii) interest thereon
26 at the effective rate for each year, compounded annually, from

1 the date of service to the date of payment.

2 Subject to the limitation in subsection (i), a State
3 policeman, conservation police officer, or investigator for
4 the Secretary of State may elect to establish eligible
5 creditable service for up to 10 years of service as a sheriff's
6 law enforcement employee under Article 7, by filing a written
7 election with the Board on or before January 31, 1993, and
8 paying to the System by January 31, 1994 an amount to be
9 determined by the Board, equal to (i) the difference between
10 the amount of employee and employer contributions transferred
11 to the System under Section 7-139.7, and the amounts that would
12 have been contributed had such contributions been made at the
13 rates applicable to State policemen, plus (ii) interest thereon
14 at the effective rate for each year, compounded annually, from
15 the date of service to the date of payment.

16 Subject to the limitation in subsection (i), a State
17 policeman, conservation police officer, or investigator for
18 the Secretary of State may elect to establish eligible
19 creditable service for up to 5 years of service as a police
20 officer under Article 3, a policeman under Article 5, a
21 sheriff's law enforcement employee under Article 7, a member of
22 the county police department under Article 9, or a police
23 officer under Article 15 by filing a written election with the
24 Board and paying to the System an amount to be determined by
25 the Board, equal to (i) the difference between the amount of
26 employee and employer contributions transferred to the System

1 under Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.4
2 and the amounts that would have been contributed had such
3 contributions been made at the rates applicable to State
4 policemen, plus (ii) interest thereon at the effective rate for
5 each year, compounded annually, from the date of service to the
6 date of payment.

7 (i) The total amount of eligible creditable service
8 established by any person under subsections (g), (h), (j), (k),
9 and (l) of this Section shall not exceed 12 years.

10 (j) Subject to the limitation in subsection (i), an
11 investigator for the Office of the State's Attorneys Appellate
12 Prosecutor or a controlled substance inspector may elect to
13 establish eligible creditable service for up to 10 years of his
14 service as a policeman under Article 3 or a sheriff's law
15 enforcement employee under Article 7, by filing a written
16 election with the Board, accompanied by payment of an amount to
17 be determined by the Board, equal to (1) the difference between
18 the amount of employee and employer contributions transferred
19 to the System under Section 3-110.6 or 7-139.8, and the amounts
20 that would have been contributed had such contributions been
21 made at the rates applicable to State policemen, plus (2)
22 interest thereon at the effective rate for each year,
23 compounded annually, from the date of service to the date of
24 payment.

25 (k) Subject to the limitation in subsection (i) of this
26 Section, an alternative formula employee may elect to establish

1 eligible creditable service for periods spent as a full-time
2 law enforcement officer or full-time corrections officer
3 employed by the federal government or by a state or local
4 government located outside of Illinois, for which credit is not
5 held in any other public employee pension fund or retirement
6 system. To obtain this credit, the applicant must file a
7 written application with the Board by March 31, 1998,
8 accompanied by evidence of eligibility acceptable to the Board
9 and payment of an amount to be determined by the Board, equal
10 to (1) employee contributions for the credit being established,
11 based upon the applicant's salary on the first day as an
12 alternative formula employee after the employment for which
13 credit is being established and the rates then applicable to
14 alternative formula employees, plus (2) an amount determined by
15 the Board to be the employer's normal cost of the benefits
16 accrued for the credit being established, plus (3) regular
17 interest on the amounts in items (1) and (2) from the first day
18 as an alternative formula employee after the employment for
19 which credit is being established to the date of payment.

20 (1) Subject to the limitation in subsection (i), a security
21 employee of the Department of Corrections may elect, not later
22 than July 1, 1998, to establish eligible creditable service for
23 up to 10 years of his or her service as a policeman under
24 Article 3, by filing a written election with the Board,
25 accompanied by payment of an amount to be determined by the
26 Board, equal to (i) the difference between the amount of

1 employee and employer contributions transferred to the System
2 under Section 3-110.5, and the amounts that would have been
3 contributed had such contributions been made at the rates
4 applicable to security employees of the Department of
5 Corrections, plus (ii) interest thereon at the effective rate
6 for each year, compounded annually, from the date of service to
7 the date of payment.

8 (m) The amendatory changes to this Section made by this
9 amendatory Act of the 94th General Assembly apply only to: (1)
10 security employees of the Department of Juvenile Justice
11 employed by the Department of Corrections before the effective
12 date of this amendatory Act of the 94th General Assembly and
13 transferred to the Department of Juvenile Justice by this
14 amendatory Act of the 94th General Assembly; and (2) persons
15 employed by the Department of Juvenile Justice on or after the
16 effective date of this amendatory Act of the 94th General
17 Assembly who are required by subsection (b) of Section 3-2.5-15
18 of the Unified Code of Corrections to have a bachelor's or
19 advanced degree from an accredited college or university with a
20 specialization in criminal justice, education, psychology,
21 social work, or a closely related social science or, in the
22 case of persons who provide vocational training, who are
23 required to have adequate knowledge in the skill for which they
24 are providing the vocational training.

25 (Source: P.A. 94-4, eff. 6-1-05; 94-696, eff. 6-1-06; 95-530,
26 eff. 8-28-07.)

1 (40 ILCS 5/14-111) (from Ch. 108 1/2, par. 14-111)

2 Sec. 14-111. Re-entry After retirement.

3 (a) An annuitant who re-enters the service of a department
4 and receives compensation on a regular payroll shall receive no
5 payments of the retirement annuity during the time he is so
6 employed, with the following exceptions:

7 (1) An annuitant who is employed by a department while
8 he or she is a continuing participant in the General
9 Assembly Retirement System under Sections 2-117.1 and
10 14-105.4 will not be considered to have made a re-entry
11 after retirement within the meaning of this Section for the
12 duration of such continuing participation. Any person who
13 is a continuing participant under Sections 2-117.1 and
14 14-105.4 on the effective date of this amendatory Act of
15 1991 and whose retirement annuity has been suspended under
16 this Section shall be entitled to receive from the System a
17 sum equal to the annuity payments that have been withheld
18 under this Section, and shall receive the benefit of this
19 amendment without regard to Section 1-103.1.

20 (2) An annuitant who accepts temporary employment from
21 such a department for a period not exceeding 75 working
22 days in any calendar year is not considered to make a
23 re-entry after retirement within the meaning of this
24 Section. Any part of a day on temporary employment is
25 considered a full day of employment.

1 (3) An annuitant who accepts employment as a member of
2 the Illinois Gaming Board or as the Director of Gaming
3 Enforcement may elect to not participate in this System
4 with respect to that service. An annuitant who elects to
5 not participate in this System with respect to that service
6 is not considered to make a re-entry after retirement
7 within the meaning of this Section.

8 (b) If such person re-enters the service of a department,
9 not as a temporary employee, contributions to the system shall
10 begin as of the date of re-employment and additional creditable
11 service shall begin to accrue. He shall assume the status of a
12 member entitled to all rights and privileges in the system,
13 including death and disability benefits, excluding a refund of
14 contributions.

15 Upon subsequent retirement, his retirement annuity shall
16 consist of:

17 (1) the amounts of the annuities terminated by re-entry
18 into service; and

19 (2) the amount of the additional retirement annuity
20 earned by the member during the period of additional
21 membership service which shall not be subject to
22 reversionary annuity if any.

23 The total retirement annuity shall not, however, exceed the
24 maximum applicable to the member at the time of original
25 retirement. In the computation of any such retirement annuity,
26 the time that the member was on retirement shall not interrupt

1 the continuity of service for the computation of final average
2 compensation and the additional membership service shall be
3 considered, together with service rendered before the previous
4 retirement, in establishing final average compensation.

5 A person who re-enters the service of a department within 3
6 years after retiring may qualify to have the retirement annuity
7 computed as though the member had not previously retired by
8 paying to the System, within 5 years after re-entry and prior
9 to subsequent retirement, in a lump sum or in installment
10 payments in accordance with such rules as may be adopted by the
11 Board, an amount equal to all retirement payments received,
12 including any payments received in accordance with subsection
13 (c) or (d) of Section 14-130, plus regular interest from the
14 date retirement payments were suspended to the date of
15 repayment.

16 (Source: P.A. 86-1488; 87-794.)

17 (40 ILCS 5/14-152.1)

18 Sec. 14-152.1. Application and expiration of new benefit
19 increases.

20 (a) As used in this Section, "new benefit increase" means
21 an increase in the amount of any benefit provided under this
22 Article, or an expansion of the conditions of eligibility for
23 any benefit under this Article, that results from an amendment
24 to this Code that takes effect after June 1, 2005 (the
25 effective date of Public Act 94-4) ~~this amendatory Act of the~~

1 ~~94th General Assembly.~~ "New benefit increase", however, does
2 not include any benefit increase resulting from the changes
3 made to this Article by this amendatory Act of the 95th General
4 Assembly.

5 (b) Notwithstanding any other provision of this Code or any
6 subsequent amendment to this Code, every new benefit increase
7 is subject to this Section and shall be deemed to be granted
8 only in conformance with and contingent upon compliance with
9 the provisions of this Section.

10 (c) The Public Act enacting a new benefit increase must
11 identify and provide for payment to the System of additional
12 funding at least sufficient to fund the resulting annual
13 increase in cost to the System as it accrues.

14 Every new benefit increase is contingent upon the General
15 Assembly providing the additional funding required under this
16 subsection. The Commission on Government Forecasting and
17 Accountability shall analyze whether adequate additional
18 funding has been provided for the new benefit increase and
19 shall report its analysis to the Public Pension Division of the
20 Department of Financial and Professional Regulation. A new
21 benefit increase created by a Public Act that does not include
22 the additional funding required under this subsection is null
23 and void. If the Public Pension Division determines that the
24 additional funding provided for a new benefit increase under
25 this subsection is or has become inadequate, it may so certify
26 to the Governor and the State Comptroller and, in the absence

1 of corrective action by the General Assembly, the new benefit
2 increase shall expire at the end of the fiscal year in which
3 the certification is made.

4 (d) Every new benefit increase shall expire 5 years after
5 its effective date or on such earlier date as may be specified
6 in the language enacting the new benefit increase or provided
7 under subsection (c). This does not prevent the General
8 Assembly from extending or re-creating a new benefit increase
9 by law.

10 (e) Except as otherwise provided in the language creating
11 the new benefit increase, a new benefit increase that expires
12 under this Section continues to apply to persons who applied
13 and qualified for the affected benefit while the new benefit
14 increase was in effect and to the affected beneficiaries and
15 alternate payees of such persons, but does not apply to any
16 other person, including without limitation a person who
17 continues in service after the expiration date and did not
18 apply and qualify for the affected benefit while the new
19 benefit increase was in effect.

20 (Source: P.A. 94-4, eff. 6-1-05.)

21 (40 ILCS 5/18-127) (from Ch. 108 1/2, par. 18-127)

22 Sec. 18-127. Retirement annuity - suspension on
23 reemployment.

24 (a) A participant receiving a retirement annuity who is
25 regularly employed for compensation by an employer other than a

1 county, in any capacity, shall have his or her retirement
2 annuity payments suspended during such employment. Upon
3 termination of such employment, retirement annuity payments at
4 the previous rate shall be resumed.

5 If such a participant resumes service as a judge, he or she
6 shall receive credit for any additional service. Upon
7 subsequent retirement, his or her retirement annuity shall be
8 the amount previously granted, plus the amount earned by the
9 additional judicial service under the provisions in effect
10 during the period of such additional service. However, if the
11 participant was receiving the maximum rate of annuity at the
12 time of re-employment, he or she may elect, in a written
13 direction filed with the board, not to receive any additional
14 service credit during the period of re-employment. In such
15 case, contributions shall not be required during the period of
16 re-employment. Any such election shall be irrevocable.

17 (b) Beginning January 1, 1991, any participant receiving a
18 retirement annuity who accepts temporary employment from an
19 employer other than a county for a period not exceeding 75
20 working days in any calendar year shall not be deemed to be
21 regularly employed for compensation or to have resumed service
22 as a judge for the purposes of this Article. A day shall be
23 considered a working day if the annuitant performs on it any of
24 his duties under the temporary employment agreement.

25 (c) Except as provided in subsection (a), beginning January
26 1, 1993, retirement annuities shall not be subject to

1 suspension upon resumption of employment for an employer, and
2 any retirement annuity that is then so suspended shall be
3 reinstated on that date.

4 (d) The changes made in this Section by this amendatory Act
5 of 1993 shall apply to judges no longer in service on its
6 effective date, as well as to judges serving on or after that
7 date.

8 (e) A participant receiving a retirement annuity under this
9 Article who (i) serves as a part-time employee in any of the
10 following positions: Legislative Inspector General, Special
11 Legislative Inspector General, employee of the Office of the
12 Legislative Inspector General, Executive Director of the
13 Legislative Ethics Commission, or staff of the Legislative
14 Ethics Commission or (ii) serves on the Illinois Gaming Board
15 or as the Director of Gaming Enforcement, but has not elected
16 to participate in the Article 14 System with respect to that
17 service, shall not be deemed to be regularly employed for
18 compensation by an employer other than a county, nor to have
19 resumed service as a judge, on the basis of that service, and
20 the retirement annuity payments and other benefits of that
21 person under this Code shall not be suspended, diminished, or
22 otherwise impaired solely as a consequence of that service.
23 This subsection (e) applies without regard to whether the
24 person is in service as a judge under this Article on or after
25 the effective date of this amendatory Act of the 93rd General
26 Assembly. In this subsection, a "part-time employee" is a

1 person who is not required to work at least 35 hours per week.
2 The changes made to this subsection (e) by this amendatory Act
3 of the 95th General Assembly apply without regard to whether
4 the person is in service as a judge under this Article on or
5 after the effective date of this amendatory Act of the 95th
6 General Assembly.

7 (f) A participant receiving a retirement annuity under this
8 Article who has made an election under Section 1-123 and who is
9 serving either as legal counsel in the Office of the Governor
10 or as Chief Deputy Attorney General shall not be deemed to be
11 regularly employed for compensation by an employer other than a
12 county, nor to have resumed service as a judge, on the basis of
13 that service, and the retirement annuity payments and other
14 benefits of that person under this Code shall not be suspended,
15 diminished, or otherwise impaired solely as a consequence of
16 that service. This subsection (f) applies without regard to
17 whether the person is in service as a judge under this Article
18 on or after the effective date of this amendatory Act of the
19 93rd General Assembly.

20 (Source: P.A. 93-685, eff. 7-8-04; 93-1069, eff. 1-15-05.)

21 (40 ILCS 5/18-169)

22 Sec. 18-169. Application and expiration of new benefit
23 increases.

24 (a) As used in this Section, "new benefit increase" means
25 an increase in the amount of any benefit provided under this

1 Article, or an expansion of the conditions of eligibility for
2 any benefit under this Article, that results from an amendment
3 to this Code that takes effect after June 1, 2005 (the
4 effective date Public Act 94-4) ~~of this amendatory Act of the~~
5 ~~94th General Assembly~~. "New benefit increase", however, does
6 not include any benefit increase resulting from the changes
7 made to this Article by this amendatory Act of the 95th General
8 Assembly.

9 (b) Notwithstanding any other provision of this Code or any
10 subsequent amendment to this Code, every new benefit increase
11 is subject to this Section and shall be deemed to be granted
12 only in conformance with and contingent upon compliance with
13 the provisions of this Section.

14 (c) The Public Act enacting a new benefit increase must
15 identify and provide for payment to the System of additional
16 funding at least sufficient to fund the resulting annual
17 increase in cost to the System as it accrues.

18 Every new benefit increase is contingent upon the General
19 Assembly providing the additional funding required under this
20 subsection. The Commission on Government Forecasting and
21 Accountability shall analyze whether adequate additional
22 funding has been provided for the new benefit increase and
23 shall report its analysis to the Public Pension Division of the
24 Department of Financial and Professional Regulation. A new
25 benefit increase created by a Public Act that does not include
26 the additional funding required under this subsection is null

1 and void. If the Public Pension Division determines that the
2 additional funding provided for a new benefit increase under
3 this subsection is or has become inadequate, it may so certify
4 to the Governor and the State Comptroller and, in the absence
5 of corrective action by the General Assembly, the new benefit
6 increase shall expire at the end of the fiscal year in which
7 the certification is made.

8 (d) Every new benefit increase shall expire 5 years after
9 its effective date or on such earlier date as may be specified
10 in the language enacting the new benefit increase or provided
11 under subsection (c). This does not prevent the General
12 Assembly from extending or re-creating a new benefit increase
13 by law.

14 (e) Except as otherwise provided in the language creating
15 the new benefit increase, a new benefit increase that expires
16 under this Section continues to apply to persons who applied
17 and qualified for the affected benefit while the new benefit
18 increase was in effect and to the affected beneficiaries and
19 alternate payees of such persons, but does not apply to any
20 other person, including without limitation a person who
21 continues in service after the expiration date and did not
22 apply and qualify for the affected benefit while the new
23 benefit increase was in effect.

24 (Source: P.A. 94-4, eff. 6-1-05.)

25 Section 90-25. The Joliet Regional Port District Act is

1 amended by changing Section 5.1 as follows:

2 (70 ILCS 1825/5.1) (from Ch. 19, par. 255.1)

3 Sec. 5.1. Riverboat gambling. Notwithstanding any other
4 provision of this Act, the District may not regulate the
5 operation, conduct, or navigation of any riverboat gambling
6 casino licensed under the Illinois Riverboat Gambling Act, and
7 the District may not license, tax, or otherwise levy any
8 assessment of any kind on any riverboat gambling casino
9 licensed under the Illinois Riverboat Gambling Act. The General
10 Assembly declares that the powers to regulate the operation,
11 conduct, and navigation of riverboat gambling casinos and to
12 license, tax, and levy assessments upon riverboat gambling
13 casinos are exclusive powers of the State of Illinois and the
14 Illinois Gaming Board as provided in the Illinois Riverboat
15 Gambling Act.

16 (Source: P.A. 87-1175.)

17 Section 90-27. The School Construction Law is amended by
18 changing Section 5-10 and adding Section 5-36 as follows:

19 (105 ILCS 230/5-10)

20 Sec. 5-10. Grant awards. The Capital Development Board is
21 authorized to make grants to school districts for school
22 construction projects with funds appropriated by the General
23 Assembly from the School Infrastructure Fund pursuant to the

1 provisions of this Article or the Illinois Works Fund. The
2 State Board of Education is authorized to make grants to school
3 districts for debt service with funds appropriated by the
4 General Assembly from the School Infrastructure Fund pursuant
5 to the provisions of this Article.

6 (Source: P.A. 90-548, eff. 1-1-98.)

7 (105 ILCS 230/5-36 new)

8 Sec. 5-36. The Chicago Public Schools Capital Needs Board.

9 (a) The Chicago Public Schools Capital Needs Board is
10 created as an advisory board to the State Board of Education
11 and the Capital Development Board. The Chicago Public Schools
12 Capital Needs Board shall consist of 5 members appointed by the
13 Governor, 2 of whom are appointed to serve an initial term of
14 one year and 3 of whom are appointed to serve an initial term
15 of 2 years. One Board member shall be appointed chairperson of
16 the Board at the time of appointment.

17 (b) After the initial terms, each member shall be appointed
18 to serve a term of 2 years and until his or her successor is
19 appointed and has qualified. If a vacancy occurs in board
20 membership, the vacancy shall be filled in the same manner as
21 the initial appointment.

22 Board members shall serve without compensation, but may be
23 reimbursed for their reasonable travel expenses from funds
24 available for that purpose. The State Board of Education and
25 Capital Development Board shall provide staff and

1 administrative support services to the Chicago Public Schools
2 Capital Needs Board.

3 (c) The Chicago Public Schools Capital Needs Board shall
4 make recommendations annually to the State Board of Education
5 and Capital Development Board concerning the allocation of
6 school construction funds awarded to a school district with a
7 population exceeding 500,000 as authorized by subsection (b) of
8 Section 5-35 of this Law or by the Illinois Works Capital
9 Program.

10 (1) The Chicago Public Schools Capital Needs Board
11 shall review applications submitted to the State Board of
12 Education by the school district and other relevant
13 materials in preparing its recommendations.

14 (2) The Chicago Public Schools Capital Needs Board
15 shall consider the eligibility and project standards
16 outlined in Section 5-30 of this Law, along with other
17 factors that contribute to neighborhood revitalization and
18 educational outcomes.

19 (3) The Chicago Public Schools Capital Needs Board
20 shall make specific recommendations for allocation of the
21 award of school construction funds, including listing
22 specific schools and projects for each listed school, for
23 the upcoming fiscal year to the Capital Development Board.

24 (4) The Capital Development Board shall incorporate
25 the recommendations for allocation of the award of school
26 construction funds in item (3) of this subsection (c) and

1 include only that allocation in any grant award or
2 agreement entered into with the school district.

3 (5) The Capital Development Board shall not transfer
4 funds to the school district prior to the recommendation
5 for allocation of the award of the Chicago Public Schools
6 Capital Needs Board, incorporation of the recommendation
7 by the Capital Development Board, and completion of an
8 executed grant agreement containing the recommendations of
9 the Chicago Public Schools Capital Needs Board between the
10 Capital Development Board and the school district.

11 Section 90-30. The Consumer Installment Loan Act is amended
12 by changing Section 12.5 as follows:

13 (205 ILCS 670/12.5)

14 Sec. 12.5. Limited purpose branch.

15 (a) Upon the written approval of the Director, a licensee
16 may maintain a limited purpose branch for the sole purpose of
17 making loans as permitted by this Act. A limited purpose branch
18 may include an automatic loan machine. No other activity shall
19 be conducted at the site, including but not limited to,
20 accepting payments, servicing the accounts, or collections.

21 (b) The licensee must submit an application for a limited
22 purpose branch to the Director on forms prescribed by the
23 Director with an application fee of \$300. The approval for the
24 limited purpose branch must be renewed concurrently with the

1 renewal of the licensee's license along with a renewal fee of
2 \$300 for the limited purpose branch.

3 (c) The books, accounts, records, and files of the limited
4 purpose branch's transactions shall be maintained at the
5 licensee's licensed location. The licensee shall notify the
6 Director of the licensed location at which the books, accounts,
7 records, and files shall be maintained.

8 (d) The licensee shall prominently display at the limited
9 purpose branch the address and telephone number of the
10 licensee's licensed location.

11 (e) No other business shall be conducted at the site of the
12 limited purpose branch unless authorized by the Director.

13 (f) The Director shall make and enforce reasonable rules
14 for the conduct of a limited purpose branch.

15 (g) A limited purpose branch may not be located in within
16 ~~1,000 feet of~~ a facility operated by an inter-track wagering
17 licensee or an organization licensee subject to the Illinois
18 Horse Racing Act of 1975, on a riverboat, in a casino, or in an
19 electronic gaming facility subject to the Illinois Riverboat
20 Gambling Act, or within 1,000 feet of any such ~~the~~ location ~~at~~
21 ~~which the riverboat docks~~.

22 (Source: P.A. 90-437, eff. 1-1-98.)

23 Section 90-35. The Illinois Horse Racing Act of 1975 is
24 amended by changing Sections 1.2, 1.3, 3.071, 3.077, 3.12,
25 3.20, 3.22, 3.23, 4, 5, 6, 7, 9, 20, 25, 26, 26.1, 27, 28.1, 30,

1 30.5, 31, 36, 42, and 45 and adding Sections 2.5, 3.24, 3.25,
2 3.26, 3.27, 3.28, 3.29, 6.5, 12.5, 21.5, 31.2, 31.3, 34.3, 56,
3 and 57 as follows:

4 (230 ILCS 5/1.2)

5 Sec. 1.2. Legislative intent. This Act is intended to
6 benefit the people of the State of Illinois by encouraging the
7 breeding and production of race horses, assisting economic
8 development, and promoting Illinois tourism. The General
9 Assembly finds and declares it to be the public policy of the
10 State of Illinois to:

11 (a) support and enhance Illinois' horse racing industry,
12 which is a significant component within the agribusiness
13 industry;

14 (b) ensure that Illinois' horse racing industry remains
15 competitive with neighboring states;

16 (c) stimulate growth within Illinois' horse racing
17 industry, thereby encouraging new investment and development
18 to produce additional tax revenues and to create additional
19 jobs;

20 (d) promote the further growth of tourism;

21 (e) encourage the breeding of thoroughbred and
22 standardbred horses in this State; and

23 (f) ensure that public confidence and trust in the
24 credibility and integrity of racing operations and the
25 regulatory process is maintained.

1 (Source: P.A. 91-40, eff. 6-25-99.)

2 (230 ILCS 5/1.3)

3 Sec. 1.3. Legislative findings.

4 (a) The General Assembly finds that the Illinois gaming
5 industry is a single industry consisting of horse racing, ~~and~~
6 riverboat and casino gambling, and electronic gaming. Reports
7 issued by the Economic and Fiscal Commission (now Commission on
8 Government Forecasting and Accountability) in 1992, 1994, and
9 1998 have found that horse racing and riverboat gambling:

10 (1) "share many of the same characteristics" and are
11 "more alike than different";

12 (2) are planned events;

13 (3) have similar odds of winning;

14 (4) occur in similar settings; and

15 (5) compete with each other for limited gaming dollars.

16 (b) The General Assembly declares it to be the public
17 policy of this State to ensure the viability of all ~~both horse~~
18 ~~racing and riverboat~~ aspects of the Illinois gaming industry.

19 (Source: P.A. 95-331, eff. 8-21-07.)

20 (230 ILCS 5/2.5 new)

21 Sec. 2.5. Separation from Department of Revenue. On the
22 effective date of this amendatory Act of the 95th General
23 Assembly, all of the powers, duties, assets, liabilities,
24 employees, contracts, property, records, pending business, and

1 unexpended appropriations of the Department of Revenue related
2 to the administration and enforcement of this Act are
3 transferred to the Illinois Racing Board.

4 The status and rights of the transferred employees, and the
5 rights of the State of Illinois and its agencies, under the
6 Personnel Code and applicable collective bargaining agreements
7 or under any pension, retirement, or annuity plan are not
8 affected (except as provided in the Illinois Pension Code) by
9 that transfer or by any other provision of this amendatory Act
10 of the 95th General Assembly.

11 (230 ILCS 5/3.071) (from Ch. 8, par. 37-3.071)

12 Sec. 3.071. Inter-track wagering. "Inter-track Wagering"
13 means a legal wager on the outcome of a simultaneously
14 televised horse race taking place at an Illinois race track
15 placed or accepted at any location authorized to accept wagers
16 under this Act, excluding the Illinois race track at which that
17 horse race is being conducted, and advance deposit wagering
18 through an advance deposit wagering licensee.

19 (Source: P.A. 89-16, eff. 5-30-95.)

20 (230 ILCS 5/3.077)

21 Sec. 3.077. Non-host licensee. "Non-host licensee" means a
22 licensee operating concurrently with a host track, but does not
23 include an advance deposit wagering licensee.

24 (Source: P.A. 89-16, eff. 5-30-95.)

1 (230 ILCS 5/3.12) (from Ch. 8, par. 37-3.12)

2 Sec. 3.12. Pari-mutuel system of wagering. "Pari-mutuel
3 system of wagering" means a form of wagering on the outcome of
4 horse races in which wagers are made in various denominations
5 on a horse or horses and all wagers for each race are pooled
6 and held by a licensee for distribution in a manner approved by
7 the Board. Wagers may be placed via any method or at any
8 location authorized under this Act.

9 (Source: P.A. 89-16, eff. 5-30-95.)

10 (230 ILCS 5/3.20)

11 Sec. 3.20. Licensee. "Licensee" means an individual
12 organization licensee, an inter-track wagering licensee, an ~~or~~
13 inter-track wagering location licensee, or an advance deposit
14 wagering licensee, as the context of this Act requires.

15 (Source: P.A. 89-16, eff. 5-30-95.)

16 (230 ILCS 5/3.22)

17 Sec. 3.22. Wagering facility. "Wagering facility" means
18 any location at which a licensee, other than an advance deposit
19 wagering licensee, may accept or receive pari-mutuel wagers
20 under this Act.

21 (Source: P.A. 89-16, eff. 5-30-95.)

22 (230 ILCS 5/3.23)

1 Sec. 3.23. Wagering. "Wagering" means, collectively, the
2 pari-mutuel system of wagering, inter-track wagering, ~~and~~
3 simulcast wagering, and advance deposit wagering.
4 (Source: P.A. 89-16, eff. 5-30-95.)

5 (230 ILCS 5/3.24 new)

6 Sec. 3.24. Adjusted gross receipts. "Adjusted gross
7 receipts" means the gross receipts from electronic gaming less
8 winnings paid to wagerers.

9 (230 ILCS 5/3.25 new)

10 Sec. 3.25. Electronic gaming. "Electronic gaming" means
11 slot machine gambling, video games of chance, and electronic
12 games as defined in the Illinois Gambling Act, that is
13 conducted at a race track pursuant to an electronic gaming
14 license.

15 (230 ILCS 5/3.26 new)

16 Sec. 3.26. Electronic gaming license. "Electronic gaming
17 license" means a license to conduct electronic gaming issued
18 under Section 56.

19 (230 ILCS 5/3.27 new)

20 Sec. 3.27. Electronic gaming facility. "Electronic gaming
21 facility" means that portion of an organization licensee's race
22 track facility at which electronic gaming is conducted.

1 (230 ILCS 5/3.28 new)

2 Sec. 3.28. Advance deposit wagering licensee. "Advance
3 deposit wagering licensee" means a person licensed by the Board
4 to conduct advance deposit wagering. An advance deposit
5 wagering licensee shall be an organization licensee or a person
6 or third party who contracts with an organization licensee in
7 order to conduct advance deposit wagering.

8 (230 ILCS 5/3.29 new)

9 Sec. 3.29. Advance deposit wagering. "Advance deposit
10 wagering" means a method of pari-mutuel wagering in which an
11 individual may establish an account, deposit money into the
12 account, and use the account balance to pay for pari-mutuel
13 wagering authorized by this Act. An advance deposit wager may
14 be placed in person at a wagering facility or from any other
15 location via a telephone-type device or any other electronic
16 means. Any person who accepts an advance deposit wager who is
17 not licensed by the Board as an advance deposit wagering
18 licensee shall be considered in violation of this Act and the
19 Criminal Code of 1961. Any advance deposit wager placed in
20 person at a wagering facility shall be deemed to have been
21 placed at that wagering facility.

22 (230 ILCS 5/4) (from Ch. 8, par. 37-4)

23 Sec. 4. Until the effective date of this amendatory Act of

1 the 95th General Assembly, the ~~The~~ Board shall consist of 11
2 members to be appointed by the Governor with the advice and
3 consent of the Senate, not more than 6 of whom shall be of the
4 same political party, and one of whom shall be designated by
5 the Governor to be chairman.

6 The new Board shall consist of 7 members appointed by the
7 Governor from nominations presented to the Governor by the
8 Nomination Panel and with the advice and consent of the Senate.
9 Notwithstanding any provision of this Section to the contrary,
10 the term of office of each member of the Board sitting on the
11 effective date of this amendatory Act of the 95th General
12 Assembly ends when all 7 members of the new Board are appointed
13 and qualified pursuant to this amendatory Act.

14 Each member shall have a reasonable knowledge of harness or
15 thoroughbred racing practices and procedure and of the
16 principles of harness or thoroughbred racing and breeding and,
17 at the time of his appointment, shall be a resident of the
18 State of Illinois and shall have resided therein for a period
19 of at least 5 years next preceding his appointment and
20 qualification and he shall be a qualified voter therein and not
21 less than 25 years of age. The Board should reflect the ethnic,
22 cultural, and geographic diversity of the State.

23 (Source: P.A. 91-798, eff. 7-9-00.)

24 (230 ILCS 5/5) (from Ch. 8, par. 37-5)

25 Sec. 5. As soon as practicable following the effective date

1 of this amendatory Act of 1995, the Governor shall appoint,
2 with the advice and consent of the Senate, members to the Board
3 as follows: 3 members for terms expiring July 1, 1996; 3
4 members for terms expiring July 1, 1998; and 3 members for
5 terms expiring July 1, 2000. Of the 2 additional members
6 appointed pursuant to this amendatory Act of the 91st General
7 Assembly, the initial term of one member shall expire on July
8 1, 2002 and the initial term of the other member shall expire
9 on July 1, 2004. Thereafter, the terms of office of the Board
10 members shall be 6 years. Incumbent members on the effective
11 date of this amendatory Act of 1995 shall continue to serve
12 only until their successors are appointed and have qualified.

13 The terms of office of the initial Board members appointed
14 pursuant to this amendatory Act of the 95th General Assembly
15 will commence from the effective date of this amendatory Act
16 and run as follows, to be determined by lot: one for a term
17 expiring July 1 of the year following confirmation, 2 for a
18 term expiring July 1 two years following confirmation, 2 for a
19 term expiring July 1 three years following confirmation, and 2
20 for a term expiring July 1 four years following confirmation.
21 Upon the expiration of the foregoing terms, the successors of
22 such members shall serve a term of 4 years and until their
23 successors are appointed and qualified for like terms.

24 Each member of the Board shall receive \$300 per day for
25 each day the Board meets and for each day the member conducts a
26 hearing pursuant to Section 16 of this Act, provided that no

1 Board member shall receive more than \$5,000 in such fees during
2 any calendar year, or an amount set by the Compensation Review
3 Board, whichever is greater. Members of the Board shall also be
4 reimbursed for all actual and necessary expenses and
5 disbursements incurred in the execution of their official
6 duties.

7 (Source: P.A. 91-357, eff. 7-29-99; 91-798, eff. 7-9-00.)

8 (230 ILCS 5/6) (from Ch. 8, par. 37-6)

9 Sec. 6. Restrictions on Board members.

10 (a) No person shall be appointed a member of the Board or
11 continue to be a member of the Board if the person or any
12 member of their immediate family is a member of the Board of
13 Directors, employee, or financially interested in any of the
14 following: (i) any licensee or other person who has applied for
15 racinq dates to the Board, or the operations thereof including,
16 but not limited to, concessions, data processing, track
17 maintenance, track security and pari mutuel operations,
18 located, scheduled or doing business within the State of
19 Illinois, (ii) any licensee or other person in any race horse
20 competing at a meeting under the Board's jurisdiction, or (iii)
21 any licensee under the Illinois Gambling Act. ~~No person shall~~
22 be appointed a member of the Board or continue to be a member
23 of the Board who is (or any member of whose family is) a member
24 of the Board of Directors of, or who is a person financially
25 interested in, any licensee or other person who has applied for

1 ~~racetrack dates to the Board, or the operations thereof including,~~
2 ~~but not limited to, concessions, data processing, track~~
3 ~~maintenance, track security and pari-mutuel operations,~~
4 ~~located, scheduled or doing business within the State of~~
5 ~~Illinois, or in any race horse competing at a meeting under the~~
6 ~~Board's jurisdiction. No Board member shall hold any other~~
7 ~~public office for which he shall receive compensation other~~
8 ~~than necessary travel or other incidental expenses.~~

9 (b) No person shall be a member of the Board who is not of
10 good moral character or who has been convicted of, or is under
11 indictment for, a felony under the laws of Illinois or any
12 other state, or the United States.

13 (c) No member of the Board or employee shall engage in any
14 political activity. For the purposes of this Section,
15 "political" means any activity in support of or in connection
16 with any campaign for State or local elective office or any
17 political organization, but does not include activities (i)
18 relating to the support or opposition of any executive,
19 legislative, or administrative action (as those terms are
20 defined in Section 2 of the Lobbyist Registration Act), (ii)
21 relating to collective bargaining, or (iii) that are otherwise
22 in furtherance of the person's official State duties or
23 governmental and public service functions.

24 (d) Board members and employees may not engage in
25 communications or any activity that may cause or have the
26 appearance of causing a conflict of interest. A conflict of

1 interest exists if a situation influences or creates the
2 appearance that it may influence judgment or performance of
3 regulatory duties and responsibilities. This prohibition shall
4 extend to any act identified by Board action that, in the
5 judgment of the Board, could represent the potential for or the
6 appearance of a conflict of interest.

7 (e) Board members and employees may not accept any gift,
8 gratuity, service, compensation, travel, lodging, or thing of
9 value, with the exception of unsolicited items of an incidental
10 nature, from any person, corporation, or entity doing business
11 with the Board.

12 (f) A Board member or employee shall not use or attempt to
13 use his or her official position to secure, or attempt to
14 secure, any privilege, advantage, favor, or influence for
15 himself or herself or others. No Board member or employee of
16 the Board may attempt, in any way, to influence any person or
17 corporation doing business with the Authority or any officer,
18 agent, or employee thereof to hire or contract with any person
19 or corporation for any compensated work.

20 (Source: P.A. 89-16, eff. 5-30-95.)

21 (230 ILCS 5/6.5 new)

22 Sec. 6.5. Ex parte communications.

23 (a) For the purpose of this Section:

24 "Ex parte communication" means any written or oral
25 communication by any person that imparts or requests material

1 information or makes a material argument regarding potential
2 action concerning regulatory, quasi regulatory, investment, or
3 licensing matters pending before or under consideration by the
4 Illinois Racing Board. "Ex parte communication" does not
5 include the following: (i) statements by a person publicly made
6 in a public forum; (ii) statements regarding matters of
7 procedure and practice, such as format, the number of copies
8 required, the manner of filing, and the status of a matter;
9 (iii) statements regarding recommendation for pending or
10 approved legislation; (iv) statements made by a State employee
11 of the agency to the agency head or other employees of that
12 agency.

13 "Ex parte communication" does not include conversations
14 concerning qualifications to serve on the Board between members
15 of the Senate and nominees for the Board that occur in the time
16 period between nomination by the Governor and either
17 confirmation or rejection by the Senate.

18 "Interested party" means a person or entity whose rights,
19 privileges, or interests are the subject of or are directly
20 affected by a regulatory, quasi-adjudicatory, investment, or
21 licensing matter of the Board.

22 (b) A constitutional officer, a member of the General
23 Assembly, a special government agent as that term is defined in
24 Section 4A-101 of the Illinois Governmental Ethics Act, a
25 director, secretary, or other employee of the executive branch
26 of the State, an employee of the legislative branch of the

1 State, or an interested party may not engage in any ex parte
2 communication with a member of the Board or an employee. A
3 member of the Board or an employee must immediately report any
4 ex parte communication to the Board's Ethics Officer. A
5 violation of this subsection (b) is a Class 4 felony.

6 (c) A constitutional officer, a member of the General
7 Assembly, a special government agent as that term is defined in
8 Section 4A-101 of the Illinois Governmental Ethics Act, a
9 director, secretary, or other employee of the executive branch
10 of the State, an employee of the legislative branch of the
11 State, or an interested party may not engage in any ex parte
12 communication with a nominee for a position on the Board. A
13 person is deemed a nominee once he or she has submitted
14 information to the Nomination Panel. A nominee must immediately
15 report any ex parte communication to the Board's Ethics
16 Officer. A violation of this subsection (c) is a Class 4
17 felony.

18 (d) Notwithstanding any provision of this Section, if a
19 State constitutional officer or member of the General Assembly
20 or his or her designee determines that potential or actual
21 Illinois Gaming Board, Illinois Racing Board, or Director of
22 Gaming Enforcement business would affect the health, safety,
23 and welfare of the people of the State of Illinois, then the
24 State constitutional officer or member of the General Assembly
25 may submit questions or comments by written medium to the
26 Chairman of the Illinois Gaming Board, Chairman of the Illinois

1 Racing Board, and Director of Gaming Enforcement. Upon receipt
2 of the message or question, the Chairman or Director shall
3 submit the message or question to the entire board for
4 consideration.

5 (230 ILCS 5/7) (from Ch. 8, par. 37-7)

6 Sec. 7. Vacancies in the Board shall be filled for the
7 unexpired term in like manner as original appointments. Each
8 member of the Board shall be eligible for reappointment,
9 subject to the nomination process of the Nomination Panel, by
10 ~~in the discretion of~~ the Governor with the advice and consent
11 of the Senate.

12 (Source: P.A. 79-1185.)

13 (230 ILCS 5/9) (from Ch. 8, par. 37-9)

14 Sec. 9. The Board shall have all powers necessary and
15 proper to fully and effectively execute the provisions of this
16 Act, including, but not limited to, the following:

17 (a) The Board is vested with jurisdiction and supervision
18 over all race meetings in this State, over all licensees doing
19 business in this State, over all occupation licensees, and over
20 all persons on the facilities of any licensee. Such
21 jurisdiction shall include the power to issue licenses to the
22 Illinois Department of Agriculture authorizing the pari-mutuel
23 system of wagering on harness and Quarter Horse races held (1)
24 at the Illinois State Fair in Sangamon County, and (2) at the

1 DuQuoin State Fair in Perry County. The jurisdiction of the
2 Board shall also include the power to issue licenses to county
3 fairs which are eligible to receive funds pursuant to the
4 Agricultural Fair Act, as now or hereafter amended, or their
5 agents, authorizing the pari-mutuel system of wagering on horse
6 races conducted at the county fairs receiving such licenses.
7 Such licenses shall be governed by subsection (n) of this
8 Section.

9 Upon application, the Board shall issue a license to the
10 Illinois Department of Agriculture to conduct harness and
11 Quarter Horse races at the Illinois State Fair and at the
12 DuQuoin State Fairgrounds during the scheduled dates of each
13 fair. The Board shall not require and the Department of
14 Agriculture shall be exempt from the requirements of Sections
15 15.3, 18 and 19, paragraphs (a)(2), (b), (c), (d), (e), (e-5),
16 (e-10), (f), (g), and (h) of Section 20, and Sections 21, 24
17 and 25. The Board and the Department of Agriculture may extend
18 any or all of these exemptions to any contractor or agent
19 engaged by the Department of Agriculture to conduct its race
20 meetings when the Board determines that this would best serve
21 the public interest and the interest of horse racing.

22 Notwithstanding any provision of law to the contrary, it
23 shall be lawful for any licensee to operate pari-mutuel
24 wagering or contract with the Department of Agriculture to
25 operate pari-mutuel wagering at the DuQuoin State Fairgrounds
26 or for the Department to enter into contracts with a licensee,

1 employ its owners, employees or agents and employ such other
2 occupation licensees as the Department deems necessary in
3 connection with race meetings and wagerings.

4 (b) The Board is vested with the full power to promulgate
5 reasonable rules and regulations for the purpose of
6 administering the provisions of this Act and to prescribe
7 reasonable rules, regulations and conditions under which all
8 horse race meetings or wagering in the State shall be
9 conducted. Such reasonable rules and regulations are to provide
10 for the prevention of practices detrimental to the public
11 interest and to promote the best interests of horse racing and
12 to impose penalties for violations thereof.

13 (c) The Board, and any person or persons to whom it
14 delegates this power, is vested with the power to enter the
15 facilities and other places of business of any licensee to
16 determine whether there has been compliance with the provisions
17 of this Act and its rules and regulations.

18 ~~(d) The Board, and any person or persons to whom it~~
19 ~~delegates this power, is vested with the authority to~~
20 ~~investigate alleged violations of the provisions of this Act,~~
21 ~~its reasonable rules and regulations, orders and final~~
22 ~~decisions;~~ the Board shall take appropriate disciplinary
23 action against any licensee or occupation licensee for
24 violation thereof or institute appropriate legal action for the
25 enforcement thereof.

26 (e) The Board, the Office of Gaming Enforcement, and any

1 person or persons to whom it delegates this power, may eject or
2 exclude from any race meeting or the facilities of any
3 licensee, or any part thereof, any occupation licensee or any
4 other individual whose conduct or reputation is such that his
5 or her presence on those facilities may, in the opinion of the
6 Board, call into question the honesty and integrity of horse
7 racing or wagering or interfere with the orderly conduct of
8 horse racing or wagering; provided, however, that no person
9 shall be excluded or ejected from the facilities of any
10 licensee solely on the grounds of race, color, creed, national
11 origin, ancestry, or sex. The power to eject or exclude an
12 occupation licensee or other individual may be exercised for
13 just cause by the licensee, ~~or~~ the Board, or the Office of
14 Gaming Enforcement, subject to subsequent hearing by the Board
15 as to the propriety of said exclusion.

16 (f) The Board is vested with the power to acquire,
17 establish, maintain and operate (or provide by contract to
18 maintain and operate) testing laboratories and related
19 facilities, for the purpose of conducting saliva, blood, urine
20 and other tests on the horses run or to be run in any horse race
21 meeting and to purchase all equipment and supplies deemed
22 necessary or desirable in connection with any such testing
23 laboratories and related facilities and all such tests.

24 (f-5) The Department of Agriculture is vested with the
25 power to acquire, establish, maintain, and operate (or provide
26 by contract to maintain and operate) testing laboratories and

1 related facilities for the purpose of conducting saliva, blood,
2 urine, and other tests on the horses run or to be run in any
3 county fair horse race meeting and of purchasing all equipment
4 and supplies deemed necessary or desirable in connection with
5 any such testing laboratories and related facilities and all
6 such tests in any county fair horse race.

7 (g) The Board may require that the records, including
8 financial or other statements of any licensee or any person
9 affiliated with the licensee who is involved directly or
10 indirectly in the activities of any licensee as regulated under
11 this Act to the extent that those financial or other statements
12 relate to such activities be kept in such manner as prescribed
13 by the Board, and that Board employees shall have access to
14 those records during reasonable business hours. Within 120 days
15 of the end of its fiscal year, each licensee shall transmit to
16 the Board an audit of the financial transactions and condition
17 of the licensee's total operations. All audits shall be
18 conducted by certified public accountants. Each certified
19 public accountant must be registered in the State of Illinois
20 under the Illinois Public Accounting Act. The compensation for
21 each certified public accountant shall be paid directly by the
22 licensee to the certified public accountant. A licensee shall
23 also submit any other financial or related information the
24 Board deems necessary to effectively administer this Act and
25 all rules, regulations, and final decisions promulgated under
26 this Act.

1 (h) The Board shall name and appoint in the manner provided
2 by the rules and regulations of the Board: an Executive
3 Director; a State director of mutuels; State veterinarians and
4 representatives to take saliva, blood, urine and other tests on
5 horses; licensing personnel; revenue inspectors; and State
6 seasonal employees (excluding admission ticket sellers and
7 mutuel clerks). All of those named and appointed as provided in
8 this subsection shall serve during the pleasure of the Board;
9 their compensation shall be determined by the Board and be paid
10 in the same manner as other employees of the Board under this
11 Act.

12 (i) The Board shall require that there shall be 3 stewards
13 at each horse race meeting, at least 2 of whom shall be named
14 and appointed by the Board. Stewards appointed or approved by
15 the Board, while performing duties required by this Act or by
16 the Board, shall be entitled to the same rights and immunities
17 as granted to Board members and Board employees in Section 10
18 of this Act.

19 (j) The Board may discharge any Board employee who fails or
20 refuses for any reason to comply with the rules and regulations
21 of the Board, or who, in the opinion of the Board, is guilty of
22 fraud, dishonesty or who is proven to be incompetent. The Board
23 shall have no right or power to determine who shall be
24 officers, directors or employees of any licensee, or their
25 salaries except the Board may, by rule, require that all or any
26 officials or employees in charge of or whose duties relate to

1 the actual running of races be approved by the Board.

2 (k) The Board is vested with the power to appoint delegates
3 to execute any of the powers granted to it under this Section
4 for the purpose of administering this Act and any rules or
5 regulations promulgated in accordance with this Act.

6 (l) The Board is vested with the power to impose civil
7 penalties of up to \$5,000 against an individual and up to
8 \$10,000 against a licensee for each violation of any provision
9 of this Act, any rules adopted by the Board, any order of the
10 Board or any other action which, in the Board's discretion, is
11 a detriment or impediment to horse racing or wagering.

12 (m) The Board is vested with the power to prescribe a form
13 to be used by licensees as an application for employment for
14 employees of each licensee.

15 (n) The Board shall have the power to issue a license to
16 any county fair, or its agent, authorizing the conduct of the
17 pari-mutuel system of wagering. The Board is vested with the
18 full power to promulgate reasonable rules, regulations and
19 conditions under which all horse race meetings licensed
20 pursuant to this subsection shall be held and conducted,
21 including rules, regulations and conditions for the conduct of
22 the pari-mutuel system of wagering. The rules, regulations and
23 conditions shall provide for the prevention of practices
24 detrimental to the public interest and for the best interests
25 of horse racing, and shall prescribe penalties for violations
26 thereof. Any authority granted the Board under this Act shall

1 extend to its jurisdiction and supervision over county fairs,
2 or their agents, licensed pursuant to this subsection. However,
3 the Board may waive any provision of this Act or its rules or
4 regulations which would otherwise apply to such county fairs or
5 their agents.

6 (o) Whenever the Board is authorized or required by law to
7 consider some aspect of criminal history record information for
8 the purpose of carrying out its statutory powers and
9 responsibilities, then, upon request and payment of fees in
10 conformance with the requirements of Section 2605-400 of the
11 Department of State Police Law (20 ILCS 2605/2605-400), the
12 Department of State Police is authorized to furnish, pursuant
13 to positive identification, such information contained in
14 State files as is necessary to fulfill the request.

15 (p) To insure the convenience, comfort, and wagering
16 accessibility of race track patrons, to provide for the
17 maximization of State revenue, and to generate increases in
18 purse allotments to the horsemen, the Board shall require any
19 licensee to staff the pari-mutuel department with adequate
20 personnel.

21 (Source: P.A. 91-239, eff. 1-1-00.)

22 (230 ILCS 5/12.5 new)

23 Sec. 12.5. Contractor disclosure of political
24 contributions.

25 (a) As used in this Section:

1 "Contracts" means any agreement for services or goods for a
2 period to exceed one year or with an annual value of at least
3 \$10,000.

4 "Contribution" means contribution as defined in this Act.

5 "Affiliated person" means (i) any person with any ownership
6 interest or distributive share of the bidding or contracting
7 entity in excess of 1%, (ii) executive employees of the bidding
8 or contracting entity, and (iii) the spouse and minor children
9 of any such persons.

10 "Affiliated entity" means (i) any parent or subsidiary of
11 the bidding or contracting entity, (ii) any member of the same
12 unitary business group, or (iii) any political committee for
13 which the bidding or contracting entity is the sponsoring
14 entity.

15 (b) A bidder, respondent, offeror, or contractor for
16 contracts with a licensee shall disclose all political
17 contributions of the bidder, respondent, offeror, or
18 contractor and any affiliated person or entity. Such disclosure
19 must accompany any contract. The disclosure must be submitted
20 to the Board with a copy of the contract prior to Board
21 approval of the contract. The disclosure of each successful
22 bidder, respondent, or offeror shall become part of the
23 publicly available record.

24 (c) Disclosure by the bidder, respondent, offeror, or
25 contractor shall include at least the names and addresses of
26 the contributors and the dollar amounts of any contributions to

1 any political committee made within the previous 2 years.

2 (d) The Board shall refuse to approve any contract that
3 does not include the required disclosure. The Board must
4 include the disclosure on its website.

5 (230 ILCS 5/20) (from Ch. 8, par. 37-20)

6 Sec. 20. (a) Any person desiring to conduct a horse race
7 meeting may apply to the Board for an organization license. The
8 application shall be made on a form prescribed and furnished by
9 the Board. The application shall specify:

10 (1) the dates on which it intends to conduct the horse
11 race meeting, which dates shall be provided under Section
12 21;

13 (2) the hours of each racing day between which it
14 intends to hold or conduct horse racing at such meeting;

15 (3) the location where it proposes to conduct the
16 meeting; and

17 (4) any other information the Board may reasonably
18 require.

19 (b) A separate application for an organization license
20 shall be filed for each horse race meeting which such person
21 proposes to hold. Any such application, if made by an
22 individual, or by any individual as trustee, shall be signed
23 and verified under oath by such individual. If made by
24 individuals or a partnership, it shall be signed and verified
25 under oath by at least 2 of such individuals or members of such

1 partnership as the case may be. If made by an association,
2 corporation, corporate trustee or any other entity, it shall be
3 signed by the president and attested by the secretary or
4 assistant secretary under the seal of such association, trust
5 or corporation if it has a seal, and shall also be verified
6 under oath by one of the signing officers.

7 (c) The application shall specify the name of the persons,
8 association, trust, or corporation making such application and
9 the post office address of the applicant; if the applicant is a
10 trustee, the names and addresses of the beneficiaries; if a
11 corporation, the names and post office addresses of all
12 officers, stockholders and directors; or if such stockholders
13 hold stock as a nominee or fiduciary, the names and post office
14 addresses of these persons, partnerships, corporations, or
15 trusts who are the beneficial owners thereof or who are
16 beneficially interested therein; and if a partnership, the
17 names and post office addresses of all partners, general or
18 limited; if the applicant is a corporation, the name of the
19 state of its incorporation shall be specified.

20 (d) The applicant shall execute and file with the Board a
21 good faith affirmative action plan to recruit, train, and
22 upgrade minorities in all classifications within the
23 association.

24 (e) With such application there shall be delivered to the
25 Board a certified check or bank draft payable to the order of
26 the Board for an amount equal to \$1,000. All applications for

1 the issuance of an organization license shall be filed with the
2 Board before August 1 of the year prior to the year for which
3 application is made and shall be acted upon by the Board at a
4 meeting to be held on such date as shall be fixed by the Board
5 during the last 15 days of September of such prior year. At
6 such meeting, the Board shall announce the award of the racing
7 meets, live racing schedule, and designation of host track to
8 the applicants and its approval or disapproval of each
9 application. No announcement shall be considered binding until
10 a formal order is executed by the Board, which shall be
11 executed no later than October 15 of that prior year. Absent
12 the agreement of the affected organization licensees, the Board
13 shall not grant overlapping race meetings to 2 or more tracks
14 that are within 100 miles of each other to conduct the
15 thoroughbred racing.

16 (e-1) In awarding racing dates for calendar year 2008 and
17 thereafter, the Board shall award at least 625 racing days. In
18 awarding racing dates under this subsection (e-1), the Board
19 shall have the discretion to allocate those racing dates among
20 organization licensees. Of the total racing days awarded, the
21 Board must reserve an amount of racing days to standardbred
22 races in an amount equal to 90% of the amount of days awarded
23 to standardbred races in calendar year 2007. Each racing day
24 awarded for standardbred races must be comprised of at least 12
25 races, with not less than 8 horses competing per race.

26 (e-2) In each county in which an organization licensee is

1 located, the Board shall award a minimum total of 25
2 standardbred racing dates to one or more organization
3 licensees.

4 (e-3) The Board may waive the requirements of subsection
5 (e-1) only if a lesser schedule of live racing is appropriate
6 because of (A) weather or unsafe track conditions due to acts
7 of God; (B) an agreement between the organization licensee and
8 the associations representing the largest number of owners,
9 trainers, jockeys, or standardbred drivers who race horses at
10 that organization licensee's racing meeting; or (C) a finding
11 by the Board of extraordinary circumstances and that it was in
12 the best interest of the public and the sport to conduct fewer
13 days of live racing.

14 (e-4) For each calendar year after 2007 in which an
15 electronic gaming licensee requests a number of racing days
16 under its organization license that is less than 90% of the
17 number of days of live racing it was awarded in 2007, the
18 electronic gaming licensee may not conduct electronic gaming.

19 (e-5) In reviewing an application for the purpose of
20 granting an organization license consistent with the best
21 interests of the public and the sport of horse racing, the
22 Board shall consider:

23 (1) the character, reputation, experience, and
24 financial integrity of the applicant and of any other
25 separate person that either:

26 (i) controls the applicant, directly or

1 indirectly, or

2 (ii) is controlled, directly or indirectly, by
3 that applicant or by a person who controls, directly or
4 indirectly, that applicant;

5 (2) the applicant's facilities or proposed facilities
6 for conducting horse racing;

7 (3) the total revenue without regard to Section 32.1 to
8 be derived by the State and horsemen from the applicant's
9 conducting a race meeting;

10 (4) the applicant's good faith affirmative action plan
11 to recruit, train, and upgrade minorities in all employment
12 classifications;

13 (5) the applicant's financial ability to purchase and
14 maintain adequate liability and casualty insurance;

15 (6) the applicant's proposed and prior year's
16 promotional and marketing activities and expenditures of
17 the applicant associated with those activities;

18 (7) an agreement, if any, among organization licensees
19 as provided in subsection (b) of Section 21 of this Act;
20 and

21 (8) the extent to which the applicant exceeds or meets
22 other standards for the issuance of an organization license
23 that the Board shall adopt by rule.

24 In granting organization licenses and allocating dates for
25 horse race meetings, the Board shall have discretion to
26 determine an overall schedule, including required simulcasts

1 of Illinois races by host tracks that will, in its judgment, be
2 conducive to the best interests of the public and the sport of
3 horse racing.

4 (e-10) The Illinois Administrative Procedure Act shall
5 apply to administrative procedures of the Board under this Act
6 for the granting of an organization license, except that (1)
7 notwithstanding the provisions of subsection (b) of Section
8 10-40 of the Illinois Administrative Procedure Act regarding
9 cross-examination, the Board may prescribe rules limiting the
10 right of an applicant or participant in any proceeding to award
11 an organization license to conduct cross-examination of
12 witnesses at that proceeding where that cross-examination
13 would unduly obstruct the timely award of an organization
14 license under subsection (e) of Section 20 of this Act; (2) the
15 provisions of Section 10-45 of the Illinois Administrative
16 Procedure Act regarding proposals for decision are excluded
17 under this Act; (3) notwithstanding the provisions of
18 subsection (a) of Section 10-60 of the Illinois Administrative
19 Procedure Act regarding ex parte communications, the Board may
20 prescribe rules allowing ex parte communications with
21 applicants or participants in a proceeding to award an
22 organization license where conducting those communications
23 would be in the best interest of racing, provided all those
24 communications are made part of the record of that proceeding
25 pursuant to subsection (c) of Section 10-60 of the Illinois
26 Administrative Procedure Act; (4) the provisions of Section 14a

1 of this Act and the rules of the Board promulgated under that
2 Section shall apply instead of the provisions of Article 10 of
3 the Illinois Administrative Procedure Act regarding
4 administrative law judges; and (5) the provisions of subsection
5 (d) of Section 10-65 of the Illinois Administrative Procedure
6 Act that prevent summary suspension of a license pending
7 revocation or other action shall not apply.

8 (f) The Board may allot racing dates to an organization
9 licensee for more than one calendar year but for no more than 3
10 successive calendar years in advance, provided that the Board
11 shall review such allotment for more than one calendar year
12 prior to each year for which such allotment has been made. The
13 granting of an organization license to a person constitutes a
14 privilege to conduct a horse race meeting under the provisions
15 of this Act, and no person granted an organization license
16 shall be deemed to have a vested interest, property right, or
17 future expectation to receive an organization license in any
18 subsequent year as a result of the granting of an organization
19 license. Organization licenses shall be subject to revocation
20 if the organization licensee has violated any provision of this
21 Act or the rules and regulations promulgated under this Act or
22 has been convicted of a crime or has failed to disclose or has
23 stated falsely any information called for in the application
24 for an organization license. Any organization license
25 revocation proceeding shall be in accordance with Section 16
26 regarding suspension and revocation of occupation licenses.

1 (f-5) If, (i) an applicant does not file an acceptance of
2 the racing dates awarded by the Board as required under part
3 (1) of subsection (h) of this Section 20, or (ii) an
4 organization licensee has its license suspended or revoked
5 under this Act, the Board, upon conducting an emergency hearing
6 as provided for in this Act, may reaward on an emergency basis
7 pursuant to rules established by the Board, racing dates not
8 accepted or the racing dates associated with any suspension or
9 revocation period to one or more organization licensees, new
10 applicants, or any combination thereof, upon terms and
11 conditions that the Board determines are in the best interest
12 of racing, provided, the organization licensees or new
13 applicants receiving the awarded racing dates file an
14 acceptance of those reawarded racing dates as required under
15 paragraph (1) of subsection (h) of this Section 20 and comply
16 with the other provisions of this Act. The Illinois
17 Administrative Procedures Act shall not apply to the
18 administrative procedures of the Board in conducting the
19 emergency hearing and the reallocation of racing dates on an
20 emergency basis.

21 (g) (Blank).

22 (h) The Board shall send the applicant a copy of its
23 formally executed order by certified mail addressed to the
24 applicant at the address stated in his application, which
25 notice shall be mailed within 5 days of the date the formal
26 order is executed.

1 Each applicant notified shall, within 10 days after receipt
2 of the final executed order of the Board awarding racing dates:

3 (1) file with the Board an acceptance of such award in
4 the form prescribed by the Board;

5 (2) pay to the Board an additional amount equal to \$110
6 for each racing date awarded; and

7 (3) file with the Board the bonds required in Sections
8 21 and 25 at least 20 days prior to the first day of each
9 race meeting.

10 Upon compliance with the provisions of paragraphs (1), (2), and
11 (3) of this subsection (h), the applicant shall be issued an
12 organization license.

13 If any applicant fails to comply with this Section or fails
14 to pay the organization license fees herein provided, no
15 organization license shall be issued to such applicant.

16 (Source: P.A. 91-40, eff. 6-25-99.)

17 (230 ILCS 5/21.5 new)

18 Sec. 21.5. License fees; deposit.

19 (a) The Board shall annually determine the annual cost of
20 maintaining control and regulatory activities contemplated by
21 this Act for each individual licensee. The Office of Gaming
22 Enforcement shall certify to the Board actual and prospective
23 costs of the investigative and enforcement functions of the
24 Office. These costs, together with the general operating
25 expenses of the Board, shall be the basis for the fee imposed

1 on each licensee. Each individual licensee's fees shall be
2 based upon proportionate costs for each individual licensee.

3 (b) Upon issuance or the first renewal of an organization
4 license after the effective date of this amendatory Act of the
5 95th General Assembly, an organization licensee shall deposit
6 \$100,000 into a fund held by the Director of the Office of
7 Gaming Enforcement separate from State moneys. The moneys in
8 the fund shall be used by the Director of the Office of Gaming
9 Enforcement for the purpose of conducting any investigation
10 concerning that licensee. Upon each subsequent renewal of an
11 organization license, the organization licensee shall deposit
12 the amount necessary to bring the moneys in the fund
13 attributable to that licensee to \$100,000.

14 (230 ILCS 5/25) (from Ch. 8, par. 37-25)

15 Sec. 25. Admission fee.

16 (a) There shall be paid to the Board at such time or times
17 as it shall prescribe, the sum of fifteen cents (15¢) for each
18 person entering the grounds or enclosure of each organization
19 licensee and inter-track wagering licensee upon a ticket of
20 admission except as provided in subsection (b) of this Section
21 and subsection (g) of Section 27 of this Act. If tickets are
22 issued for more than one day then the sum of fifteen cents
23 (15¢) shall be paid for each person using such ticket on each
24 day that the same shall be used. Provided, however, that no
25 charge shall be made on tickets of admission issued to and in

1 the name of directors, officers, agents or employees of the
2 organization licensee, or inter-track wagering licensee, or to
3 owners, trainers, jockeys, drivers and their employees or to
4 any person or persons entering the grounds or enclosure for the
5 transaction of business in connection with such race meeting.
6 The organization licensee or inter-track wagering licensee
7 may, if it desires, collect such amount from each ticket holder
8 in addition to the amount or amounts charged for such ticket of
9 admission.

10 Accurate records and books shall at all times be kept and
11 maintained by the organization licensees and inter-track
12 wagering licensees showing the admission tickets issued and
13 used on each racing day and the attendance thereat of each
14 horse racing meeting. The Board or its duly authorized
15 representative or representatives shall at all reasonable
16 times have access to the admission records of any organization
17 licensee and inter-track wagering licensee for the purpose of
18 examining and checking the same and ascertaining whether or not
19 the proper amount has been or is being paid the State of
20 Illinois as herein provided. The Board shall also require,
21 before issuing any license, that the licensee shall execute and
22 deliver to it a bond, payable to the State of Illinois, in such
23 sum as it shall determine, not, however, in excess of fifty
24 thousand dollars (\$50,000), with a surety or sureties to be
25 approved by it, conditioned for the payment of all sums due and
26 payable or collected by it under this Section upon admission

1 fees received for any particular racing meetings. The Board may
2 also from time to time require sworn statements of the number
3 or numbers of such admissions and may prescribe blanks upon
4 which such reports shall be made. Any organization licensee or
5 inter-track wagering licensee failing or refusing to pay the
6 amount found to be due as herein provided, shall be deemed
7 guilty of a business offense and upon conviction shall be
8 punished by a fine of not more than five thousand dollars
9 (\$5,000) in addition to the amount due from such organization
10 licensee or inter-track wagering licensee as herein provided.
11 All fines paid into court by an organization licensee or
12 inter-track wagering licensee found guilty of violating this
13 Section shall be transmitted and paid over by the clerk of the
14 court to the Board.

15 (b) A person who exits the grounds or enclosure of each
16 organization licensee and inter-track wagering licensee and
17 reenters such grounds or enclosure within the same day shall be
18 subject to only the initial admissions tax.

19 (Source: P.A. 88-495; 89-16, eff. 5-30-95.)

20 (230 ILCS 5/26) (from Ch. 8, par. 37-26)

21 Sec. 26. Wagering.

22 (a) Any licensee may conduct and supervise the pari-mutuel
23 system of wagering, as defined in Section 3.12 of this Act, on
24 horse races conducted by an Illinois organization licensee or
25 conducted at a racetrack located in another state or country

1 and televised in Illinois in accordance with subsection (g) of
2 Section 26 of this Act. Subject to the prior consent of the
3 Board, licensees may supplement any pari-mutuel pool in order
4 to guarantee a minimum distribution. Such pari-mutuel method of
5 wagering shall not, under any circumstances if conducted under
6 the provisions of this Act, be held or construed to be
7 unlawful, other statutes of this State to the contrary
8 notwithstanding. Subject to rules for advance wagering
9 promulgated by the Board, any licensee may accept wagers in
10 advance of the day of the race wagered upon occurs.

11 (b) Except as otherwise provided in Section 56, no other
12 method of betting, pool making, wagering or gambling shall be
13 used or permitted by the licensee. Each licensee may retain,
14 subject to the payment of all applicable taxes and purses, an
15 amount not to exceed 17% of all money wagered under subsection
16 (a) of this Section, except as may otherwise be permitted under
17 this Act.

18 (b-5) An individual may place a wager under the pari-mutuel
19 system from any licensed location authorized under this Act
20 provided that wager is electronically recorded in the manner
21 described in Section 3.12 of this Act. Any wager made
22 electronically by an individual while physically on the
23 premises of a licensee shall be deemed to have been made at the
24 premises of that licensee.

25 (c) Until January 1, 2000, the sum held by any licensee for
26 payment of outstanding pari-mutuel tickets, if unclaimed prior

1 to December 31 of the next year, shall be retained by the
2 licensee for payment of such tickets until that date. Within 10
3 days thereafter, the balance of such sum remaining unclaimed,
4 less any uncashed supplements contributed by such licensee for
5 the purpose of guaranteeing minimum distributions of any
6 pari-mutuel pool, shall be paid to the Illinois Veterans'
7 Rehabilitation Fund of the State treasury, except as provided
8 in subsection (g) of Section 27 of this Act.

9 (c-5) Beginning January 1, 2000, the sum held by any
10 licensee for payment of outstanding pari-mutuel tickets, if
11 unclaimed prior to December 31 of the next year, shall be
12 retained by the licensee for payment of such tickets until that
13 date; except that the balance of the sum of all outstanding
14 pari-mutuel tickets generated from simulcast wagering by an
15 organization licensee located in Madison County or any licensee
16 that derives its license from that organization licensee shall
17 be evenly distributed between the organization licensee and the
18 purse account of the organization licensee. Additionally, the
19 balance of the sum of all outstanding pari-mutuel tickets
20 generated from inter-track wagering from an organization
21 licensee located in Madison County shall be evenly distributed
22 between the purse account of the organization licensee from
23 which the inter-track wagering licensee and the inter-track
24 wagering location licensee derive their licenses and the
25 organization licensee. Within 10 days thereafter, the balance
26 of such sum remaining unclaimed, less any uncashed supplements

1 contributed by such licensee for the purpose of guaranteeing
2 minimum distributions of any pari-mutuel pool, shall be evenly
3 distributed to the purse account of the organization licensee
4 and the organization licensee.

5 (d) A pari-mutuel ticket shall be honored until December 31
6 of the next calendar year, and the licensee shall pay the same
7 and may charge the amount thereof against unpaid money
8 similarly accumulated on account of pari-mutuel tickets not
9 presented for payment.

10 (e) No licensee shall knowingly permit any minor, other
11 than an employee of such licensee or an owner, trainer, jockey,
12 driver, or employee thereof, to be admitted during a racing
13 program unless accompanied by a parent or guardian, or any
14 minor to be a patron of the pari-mutuel system of wagering
15 conducted or supervised by it. The admission of any
16 unaccompanied minor, other than an employee of the licensee or
17 an owner, trainer, jockey, driver, or employee thereof at a
18 race track is a Class C misdemeanor.

19 (f) Notwithstanding the other provisions of this Act, an
20 organization licensee may contract with an entity in another
21 state or country to permit any legal wagering entity in another
22 state or country to accept wagers solely within such other
23 state or country on races conducted by the organization
24 licensee in this State. Beginning January 1, 2000, these wagers
25 shall not be subject to State taxation. Until January 1, 2000,
26 when the out-of-State entity conducts a pari-mutuel pool

1 separate from the organization licensee, a privilege tax equal
2 to 7 1/2% of all monies received by the organization licensee
3 from entities in other states or countries pursuant to such
4 contracts is imposed on the organization licensee, and such
5 privilege tax shall be remitted to the Department of Revenue
6 within 48 hours of receipt of the moneys from the simulcast.
7 When the out-of-State entity conducts a combined pari-mutuel
8 pool with the organization licensee, the tax shall be 10% of
9 all monies received by the organization licensee with 25% of
10 the receipts from this 10% tax to be distributed to the county
11 in which the race was conducted.

12 An organization licensee may permit one or more of its
13 races to be utilized for pari-mutuel wagering at one or more
14 locations in other states and may transmit audio and visual
15 signals of races the organization licensee conducts to one or
16 more locations outside the State or country and may also permit
17 pari-mutuel pools in other states or countries to be combined
18 with its gross or net wagering pools or with wagering pools
19 established by other states.

20 (g) A host track may accept interstate simulcast wagers on
21 horse races conducted in other states or countries and shall
22 control the number of signals and types of breeds of racing in
23 its simulcast program, subject to the disapproval of the Board.
24 The Board may prohibit a simulcast program only if it finds
25 that the simulcast program is clearly adverse to the integrity
26 of racing. The host track simulcast program shall include the

1 signal of live racing of all organization licensees. All
2 non-host licensees and advance deposit wagering licensees
3 shall carry the signal of and accept wagers on live racing of
4 all organization licensees. Advance deposit wagering licensees
5 shall not be permitted to accept out-of-state wagers on any
6 Illinois signal provided pursuant to this Section without the
7 approval and consent of the organization licensee providing the
8 signal. Non-host licensees may carry the host track simulcast
9 program and shall accept wagers on all races included as part
10 of the simulcast program upon which wagering is permitted. All
11 organization licensees shall provide their live signal to all
12 advance deposit wagering licensees for a simulcast commission
13 fee not to exceed 6% of the advance deposit wagering licensee's
14 Illinois handle on the organization licensee's signal without
15 prior approval by the Board. The Board may adopt rules under
16 which it may permit simulcast commission fees in excess of 6%.
17 However, organization licensees providing live signals
18 pursuant to the requirements of this subsection (g) may
19 petition the Board to withhold their live signals from an
20 advance deposit wagering licensee if the organization licensee
21 discovers and the Board finds reputable or credible information
22 that the advance deposit wagering licensee is under
23 investigation by another state or federal governmental agency,
24 the advance deposit wagering licensee's license has been
25 suspended in another state, or the advance deposit wagering
26 licensee's license is in revocation proceedings in another

1 state. The organization licensee's provision of their live
2 signal to an advance deposit wagering licensee under this
3 subsection (g) pertains to wagers placed from within Illinois.

4 The costs and expenses of the host track and non-host licensees
5 associated with interstate simulcast wagering, other than the
6 interstate commission fee, shall be borne by the host track and
7 all non-host licensees incurring these costs. The interstate
8 commission fee shall not exceed 5% of Illinois handle on the
9 interstate simulcast race or races without prior approval of
10 the Board. The Board shall promulgate rules under which it may
11 permit interstate commission fees in excess of 5%. The
12 interstate commission fee and other fees charged by the sending
13 racetrack, including, but not limited to, satellite decoder
14 fees, shall be uniformly applied to the host track and all
15 non-host licensees.

16 Notwithstanding any other provision of this Act and with
17 the consent of the horsemen association representing the
18 largest number of owners, trainers, jockeys, or standardbred
19 drivers who race horses at that organization licensee's racing
20 meeting, an organization licensee may maintain a system whereby
21 advance deposit wagering may take place or may contract with
22 another person to carry out a system of advance deposit
23 wagering. Any modifications or renegotiations to a contract
24 entered into under this subsection shall also be subject to the
25 consent of that horsemen association. All advance deposit
26 wagers placed from within Illinois must be placed through a

1 Board-approved advance deposit wagering licensee; no other
2 entity may accept an advance deposit wager from a person within
3 Illinois. All advance deposit wagering is subject to any rules
4 adopted by the Board. The Board may adopt rules necessary to
5 regulate advance deposit wagering through the use of emergency
6 rulemaking in accordance with Section 5-45 of the Illinois
7 Administrative Procedure Act. The General Assembly finds that
8 the adoption of rules to regulate advance deposit wagering is
9 deemed an emergency and necessary for the public interest,
10 safety, and welfare. After payment of the State pari-mutuel
11 tax, an advance deposit wagering licensee may retain all moneys
12 as agreed to by contract with an organization licensee. Any
13 moneys retained by the organization licensee from advance
14 deposit wagering, not including moneys retained by the advance
15 deposit wagering licensee, shall be paid 50% to the
16 organization licensee's purse account, with the purse account
17 share for races that start on or after 6:30 a.m. but before
18 6:30 p.m. Illinois time allocated to thoroughbred purses and
19 the purse account share for races that start on or after 6:30
20 p.m. but before 6:30 a.m. Illinois time allocated to
21 standardbred purses, and 50% to the organization licensee. All
22 breakage from advance deposit wagering shall be allocated as
23 provided in Section 26.1. To the extent any fees from advance
24 deposit wagering conducted in Illinois for wagers in Illinois
25 or other states have been placed in escrow or otherwise
26 withheld from wagers pending a determination of the legality of

1 advance deposit wagering, no action shall be brought to declare
2 such wagers or the disbursement of any fees previously escrowed
3 illegal.

4 (1) Between the hours of 6:30 a.m. and 6:30 p.m. an
5 intertrack wagering licensee other than the host track may
6 supplement the host track simulcast program with
7 additional simulcast races or race programs, provided that
8 between January 1 and the third Friday in February of any
9 year, inclusive, if no live thoroughbred racing is
10 occurring in Illinois during this period, only
11 thoroughbred races may be used for supplemental interstate
12 simulcast purposes. The Board shall withhold approval for a
13 supplemental interstate simulcast only if it finds that the
14 simulcast is clearly adverse to the integrity of racing. A
15 supplemental interstate simulcast may be transmitted from
16 an intertrack wagering licensee to its affiliated non-host
17 licensees. The interstate commission fee for a
18 supplemental interstate simulcast shall be paid by the
19 non-host licensee and its affiliated non-host licensees
20 receiving the simulcast.

21 (2) Between the hours of 6:30 p.m. and 6:30 a.m. an
22 intertrack wagering licensee other than the host track may
23 receive supplemental interstate simulcasts only with the
24 consent of the host track, except when the Board finds that
25 the simulcast is clearly adverse to the integrity of
26 racing. Consent granted under this paragraph (2) to any

1 intertrack wagering licensee shall be deemed consent to all
2 non-host licensees. The interstate commission fee for the
3 supplemental interstate simulcast shall be paid by all
4 participating non-host licensees.

5 (3) Each licensee conducting interstate simulcast
6 wagering may retain, subject to the payment of all
7 applicable taxes and the purses, an amount not to exceed
8 17% of all money wagered. If any licensee conducts the
9 pari-mutuel system wagering on races conducted at
10 racetracks in another state or country, each such race or
11 race program shall be considered a separate racing day for
12 the purpose of determining the daily handle and computing
13 the privilege tax of that daily handle as provided in
14 subsection (a) of Section 27. Until January 1, 2000, from
15 the sums permitted to be retained pursuant to this
16 subsection, each intertrack wagering location licensee
17 shall pay 1% of the pari-mutuel handle wagered on simulcast
18 wagering to the Horse Racing Tax Allocation Fund, subject
19 to the provisions of subparagraph (B) of paragraph (11) of
20 subsection (h) of Section 26 of this Act.

21 (4) A licensee who receives an interstate simulcast may
22 combine its gross or net pools with pools at the sending
23 racetracks pursuant to rules established by the Board. All
24 licensees combining their gross pools at a sending
25 racetrack shall adopt the take-out percentages of the
26 sending racetrack. A licensee may also establish a separate

1 pool and takeout structure for wagering purposes on races
2 conducted at race tracks outside of the State of Illinois.
3 The licensee may permit pari-mutuel wagers placed in other
4 states or countries to be combined with its gross or net
5 wagering pools or other wagering pools.

6 (5) After the payment of the interstate commission fee
7 (except for the interstate commission fee on a supplemental
8 interstate simulcast, which shall be paid by the host track
9 and by each non-host licensee through the host-track) and
10 all applicable State and local taxes, except as provided in
11 subsection (g) of Section 27 of this Act, the remainder of
12 moneys retained from simulcast wagering pursuant to this
13 subsection (g), and Section 26.2 shall be divided as
14 follows:

15 (A) For interstate simulcast wagers made at a host
16 track, 50% to the host track and 50% to purses at the
17 host track.

18 (B) For wagers placed on interstate simulcast
19 races, supplemental simulcasts as defined in
20 subparagraphs (1) and (2), and separately pooled races
21 conducted outside of the State of Illinois made at a
22 non-host licensee, 25% to the host track, 25% to the
23 non-host licensee, and 50% to the purses at the host
24 track.

25 (6) Notwithstanding any provision in this Act to the
26 contrary, non-host licensees who derive their licenses

1 from a track located in a county with a population in
2 excess of 230,000 and that borders the Mississippi River
3 may receive supplemental interstate simulcast races at all
4 times subject to Board approval, which shall be withheld
5 only upon a finding that a supplemental interstate
6 simulcast is clearly adverse to the integrity of racing.

7 (7) Notwithstanding any provision of this Act to the
8 contrary, after payment of all applicable State and local
9 taxes and interstate commission fees, non-host licensees
10 who derive their licenses from a track located in a county
11 with a population in excess of 230,000 and that borders the
12 Mississippi River shall retain 50% of the retention from
13 interstate simulcast wagers and shall pay 50% to purses at
14 the track from which the non-host licensee derives its
15 license as follows:

16 (A) Between January 1 and the third Friday in
17 February, inclusive, if no live thoroughbred racing is
18 occurring in Illinois during this period, when the
19 interstate simulcast is a standardbred race, the purse
20 share to its standardbred purse account;

21 (B) Between January 1 and the third Friday in
22 February, inclusive, if no live thoroughbred racing is
23 occurring in Illinois during this period, and the
24 interstate simulcast is a thoroughbred race, the purse
25 share to its interstate simulcast purse pool to be
26 distributed under paragraph (10) of this subsection

1 (g);

2 (C) Between January 1 and the third Friday in
3 February, inclusive, if live thoroughbred racing is
4 occurring in Illinois, between 6:30 a.m. and 6:30 p.m.
5 the purse share from wagers made during this time
6 period to its thoroughbred purse account and between
7 6:30 p.m. and 6:30 a.m. the purse share from wagers
8 made during this time period to its standardbred purse
9 accounts;

10 (D) Between the third Saturday in February and
11 December 31, when the interstate simulcast occurs
12 between the hours of 6:30 a.m. and 6:30 p.m., the purse
13 share to its thoroughbred purse account;

14 (E) Between the third Saturday in February and
15 December 31, when the interstate simulcast occurs
16 between the hours of 6:30 p.m. and 6:30 a.m., the purse
17 share to its standardbred purse account.

18 (7.1) Notwithstanding any other provision of this Act
19 to the contrary, if no standardbred racing is conducted at
20 a racetrack located in Madison County during any calendar
21 year beginning on or after January 1, 2002, all moneys
22 derived by that racetrack from simulcast wagering and
23 inter-track wagering that (1) are to be used for purses and
24 (2) are generated between the hours of 6:30 p.m. and 6:30
25 a.m. during that calendar year shall be paid as follows:

26 (A) If the licensee that conducts horse racing at

1 that racetrack requests from the Board at least as many
2 racing dates as were conducted in calendar year 2000,
3 80% shall be paid to its thoroughbred purse account;
4 and

5 (B) Twenty percent shall be deposited into the
6 Illinois Colt Stakes Purse Distribution Fund and shall
7 be paid to purses for standardbred races for Illinois
8 conceived and foaled horses conducted at any county
9 fairgrounds. The moneys deposited into the Fund
10 pursuant to this subparagraph (B) shall be deposited
11 within 2 weeks after the day they were generated, shall
12 be in addition to and not in lieu of any other moneys
13 paid to standardbred purses under this Act, and shall
14 not be commingled with other moneys paid into that
15 Fund. The moneys deposited pursuant to this
16 subparagraph (B) shall be allocated as provided by the
17 Department of Agriculture, with the advice and
18 assistance of the Illinois Standardbred Breeders Fund
19 Advisory Board.

20 (7.2) Notwithstanding any other provision of this Act
21 to the contrary, if no thoroughbred racing is conducted at
22 a racetrack located in Madison County during any calendar
23 year beginning on or after January 1, 2002, all moneys
24 derived by that racetrack from simulcast wagering and
25 inter-track wagering that (1) are to be used for purses and
26 (2) are generated between the hours of 6:30 a.m. and 6:30

1 p.m. during that calendar year shall be deposited as
2 follows:

3 (A) If the licensee that conducts horse racing at
4 that racetrack requests from the Board at least as many
5 racing dates as were conducted in calendar year 2000,
6 80% shall be deposited into its standardbred purse
7 account; and

8 (B) Twenty percent shall be deposited into the
9 Illinois Colt Stakes Purse Distribution Fund. Moneys
10 deposited into the Illinois Colt Stakes Purse
11 Distribution Fund pursuant to this subparagraph (B)
12 may be used (i) at the discretion of the Department,
13 for drug testing as authorized in Section 34.3 of this
14 Act and for distribution to Illinois county fairs to
15 supplement premiums offered in junior classes and (ii)
16 by the Department of Agriculture for the purposes
17 identified in paragraphs (2), (2.5), (4), (4.1), (6),
18 (7), (8), and (9) of subsection (g) of Section 30,
19 subsection (e) of Section 30.5, paragraphs (1), (2),
20 (3), (5), and (8) of subsection (g) of Section 31, and
21 for standardbred bonus programs for owners of horses
22 that win multiple stakes races that are limited to
23 Illinois conceived and foaled horses. Any balance
24 shall be paid to Illinois conceived and foaled
25 thoroughbred breeders' programs and to thoroughbred
26 purses for races conducted at any county fairgrounds

1 for Illinois conceived and foaled horses at the
2 discretion of the Department of Agriculture, with the
3 advice and assistance of the Illinois Thoroughbred
4 Breeders Fund Advisory Board. The moneys deposited
5 into the Illinois Colt Stakes Purse Distribution Fund
6 pursuant to this subparagraph (B) shall be deposited
7 within 2 weeks after the day they were generated, shall
8 be in addition to and not in lieu of any other moneys
9 paid to thoroughbred purses under this Act, and shall
10 not be commingled with other moneys deposited into that
11 Fund. The Illinois Colt Stakes Purse Distribution Fund
12 is a non-appropriated trust fund. The Illinois Colt
13 Stakes Purse Distribution Fund shall not be subject to
14 sweeps, administrative charges, or charge backs,
15 including, but not limited to, those authorized under
16 Section 8h of the State Finance Act, or any other
17 fiscal or budgetary maneuver that would in any way
18 transfer any funds from the Illinois Colt Stakes Purse
19 Distribution Fund into any other fund of the State.

20 (7.3) If no live standardbred racing is conducted at a
21 racetrack located in Madison County in calendar year 2000
22 or 2001, an organization licensee who is licensed to
23 conduct horse racing at that racetrack shall, before
24 January 1, 2002, pay all moneys derived from simulcast
25 wagering and inter-track wagering in calendar years 2000
26 and 2001 and paid into the licensee's standardbred purse

1 account as follows:

2 (A) Eighty percent to that licensee's thoroughbred
3 purse account to be used for thoroughbred purses; and

4 (B) Twenty percent to the Illinois Colt Stakes
5 Purse Distribution Fund.

6 Failure to make the payment to the Illinois Colt Stakes
7 Purse Distribution Fund before January 1, 2002 shall result
8 in the immediate revocation of the licensee's organization
9 license, inter-track wagering license, and inter-track
10 wagering location license.

11 Moneys paid into the Illinois Colt Stakes Purse
12 Distribution Fund pursuant to this paragraph (7.3) shall be
13 paid to purses for standardbred races for Illinois
14 conceived and foaled horses conducted at any county
15 fairgrounds. Moneys paid into the Illinois Colt Stakes
16 Purse Distribution Fund pursuant to this paragraph (7.3)
17 shall be used as determined by the Department of
18 Agriculture, with the advice and assistance of the Illinois
19 Standardbred Breeders Fund Advisory Board, shall be in
20 addition to and not in lieu of any other moneys paid to
21 standardbred purses under this Act, and shall not be
22 commingled with any other moneys paid into that Fund.

23 (7.4) If live standardbred racing is conducted at a
24 racetrack located in Madison County at any time in calendar
25 year 2001 before the payment required under paragraph (7.3)
26 has been made, the organization licensee who is licensed to

1 conduct racing at that racetrack shall pay all moneys
2 derived by that racetrack from simulcast wagering and
3 inter-track wagering during calendar years 2000 and 2001
4 that (1) are to be used for purses and (2) are generated
5 between the hours of 6:30 p.m. and 6:30 a.m. during 2000 or
6 2001 to the standardbred purse account at that racetrack to
7 be used for standardbred purses.

8 (7.5) Notwithstanding any provision of this Act to the
9 contrary, if live standardbred racing and live
10 thoroughbred racing are both conducted at a racetrack
11 located in Madison County at any time in a calendar year,
12 all moneys derived by that racetrack from simulcast
13 wagering and inter-track wagering between the hours of 6:30
14 p.m. and 6:30 a.m. that are to be used for purses shall be
15 deposited as follows: 70% shall be paid to its thoroughbred
16 purse account and 30% shall be paid to its standardbred
17 purse account.

18 (8) Notwithstanding any provision in this Act to the
19 contrary, an organization licensee from a track located in
20 a county with a population in excess of 230,000 and that
21 borders the Mississippi River and its affiliated non-host
22 licensees shall not be entitled to share in any retention
23 generated on racing, inter-track wagering, or simulcast
24 wagering at any other Illinois wagering facility.

25 (8.1) Notwithstanding any provisions in this Act to the
26 contrary, if 2 organization licensees are conducting

1 standardbred race meetings concurrently between the hours
2 of 6:30 p.m. and 6:30 a.m., after payment of all applicable
3 State and local taxes and interstate commission fees, the
4 remainder of the amount retained from simulcast wagering
5 otherwise attributable to the host track and to host track
6 purses shall be split daily between the 2 organization
7 licensees and the purses at the tracks of the 2
8 organization licensees, respectively, based on each
9 organization licensee's share of the total live handle for
10 that day, provided that this provision shall not apply to
11 any non-host licensee that derives its license from a track
12 located in a county with a population in excess of 230,000
13 and that borders the Mississippi River.

14 (9) (Blank).

15 (10) (Blank).

16 (11) (Blank).

17 (12) The Board shall have authority to compel all host
18 tracks to receive the simulcast of any or all races
19 conducted at the Springfield or DuQuoin State fairgrounds
20 and include all such races as part of their simulcast
21 programs.

22 (13) Notwithstanding any other provision of this Act,
23 in the event that the total Illinois pari-mutuel handle on
24 Illinois horse races at all wagering facilities in any
25 calendar year is less than 75% of the total Illinois
26 pari-mutuel handle on Illinois horse races at all such

1 wagering facilities for calendar year 1994, then each
2 wagering facility that has an annual total Illinois
3 pari-mutuel handle on Illinois horse races that is less
4 than 75% of the total Illinois pari-mutuel handle on
5 Illinois horse races at such wagering facility for calendar
6 year 1994, shall be permitted to receive, from any amount
7 otherwise payable to the purse account at the race track
8 with which the wagering facility is affiliated in the
9 succeeding calendar year, an amount equal to 2% of the
10 differential in total Illinois pari-mutuel handle on
11 Illinois horse races at the wagering facility between that
12 calendar year in question and 1994 provided, however, that
13 a wagering facility shall not be entitled to any such
14 payment until the Board certifies in writing to the
15 wagering facility the amount to which the wagering facility
16 is entitled and a schedule for payment of the amount to the
17 wagering facility, based on: (i) the racing dates awarded
18 to the race track affiliated with the wagering facility
19 during the succeeding year; (ii) the sums available or
20 anticipated to be available in the purse account of the
21 race track affiliated with the wagering facility for purses
22 during the succeeding year; and (iii) the need to ensure
23 reasonable purse levels during the payment period. The
24 Board's certification shall be provided no later than
25 January 31 of the succeeding year. In the event a wagering
26 facility entitled to a payment under this paragraph (13) is

1 affiliated with a race track that maintains purse accounts
2 for both standardbred and thoroughbred racing, the amount
3 to be paid to the wagering facility shall be divided
4 between each purse account pro rata, based on the amount of
5 Illinois handle on Illinois standardbred and thoroughbred
6 racing respectively at the wagering facility during the
7 previous calendar year. Annually, the General Assembly
8 shall appropriate sufficient funds from the General
9 Revenue Fund to the Department of Agriculture for payment
10 into the thoroughbred and standardbred horse racing purse
11 accounts at Illinois pari-mutuel tracks. The amount paid to
12 each purse account shall be the amount certified by the
13 Illinois Racing Board in January to be transferred from
14 each account to each eligible racing facility in accordance
15 with the provisions of this Section. For the calendar year
16 in which an organization licensee that is eligible to
17 receive a payment under this paragraph (13) begins
18 conducting electronic gaming pursuant to an electronic
19 gaming license, the amount of that payment shall be reduced
20 by a percentage equal to the percentage of the year
21 remaining after the organization licensee begins
22 conducting electronic gaming pursuant to its electronic
23 gaming license. An organization licensee shall no longer be
24 able to receive payments under this paragraph (13)
25 beginning on the January 1 first occurring after the
26 licensee begins conducting electronic gaming pursuant to

1 an electronic gaming license issued under Section 7.7 of
2 the Illinois Gambling Act.

3 (h) The Board may approve and license the conduct of
4 inter-track wagering and simulcast wagering by inter-track
5 wagering licensees and inter-track wagering location licensees
6 subject to the following terms and conditions:

7 (1) Any person licensed to conduct a race meeting (i)
8 at a track where 60 or more days of racing were conducted
9 during the immediately preceding calendar year or where
10 over the 5 immediately preceding calendar years an average
11 of 30 or more days of racing were conducted annually may be
12 issued an inter-track wagering license; (ii) at a track
13 located in a county that is bounded by the Mississippi
14 River, which has a population of less than 150,000
15 according to the 1990 decennial census, and an average of
16 at least 60 days of racing per year between 1985 and 1993
17 may be issued an inter-track wagering license; or (iii) at
18 a track located in Madison County that conducted at least
19 100 days of live racing during the immediately preceding
20 calendar year may be issued an inter-track wagering
21 license, unless a lesser schedule of live racing is the
22 result of (A) weather, unsafe track conditions, or other
23 acts of God; (B) an agreement between the organization
24 licensee and the associations representing the largest
25 number of owners, trainers, jockeys, or standardbred
26 drivers who race horses at that organization licensee's

1 racing meeting; or (C) a finding by the Board of
2 extraordinary circumstances and that it was in the best
3 interest of the public and the sport to conduct fewer than
4 100 days of live racing. Any such person having operating
5 control of the racing facility may also receive up to 6
6 inter-track wagering location licenses. In no event shall
7 more than 6 inter-track wagering locations be established
8 for each eligible race track, except that an eligible race
9 track located in a county that has a population of more
10 than 230,000 and that is bounded by the Mississippi River
11 may establish up to 7 inter-track wagering locations. An
12 application for said license shall be filed with the Board
13 prior to such dates as may be fixed by the Board. With an
14 application for an inter-track wagering location license
15 there shall be delivered to the Board a certified check or
16 bank draft payable to the order of the Board for an amount
17 equal to \$500. The application shall be on forms prescribed
18 and furnished by the Board. The application shall comply
19 with all other rules, regulations and conditions imposed by
20 the Board in connection therewith.

21 (2) The Board shall examine the applications with
22 respect to their conformity with this Act and the rules and
23 regulations imposed by the Board. If found to be in
24 compliance with the Act and rules and regulations of the
25 Board, the Board may then issue a license to conduct
26 inter-track wagering and simulcast wagering to such

1 applicant. All such applications shall be acted upon by the
2 Board at a meeting to be held on such date as may be fixed
3 by the Board.

4 (3) In granting licenses to conduct inter-track
5 wagering and simulcast wagering, the Board shall give due
6 consideration to the best interests of the public, of horse
7 racing, and of maximizing revenue to the State.

8 (4) Prior to the issuance of a license to conduct
9 inter-track wagering and simulcast wagering, the applicant
10 shall file with the Board a bond payable to the State of
11 Illinois in the sum of \$50,000, executed by the applicant
12 and a surety company or companies authorized to do business
13 in this State, and conditioned upon (i) the payment by the
14 licensee of all taxes due under Section 27 or 27.1 and any
15 other monies due and payable under this Act, and (ii)
16 distribution by the licensee, upon presentation of the
17 winning ticket or tickets, of all sums payable to the
18 patrons of pari-mutuel pools.

19 (5) Each license to conduct inter-track wagering and
20 simulcast wagering shall specify the person to whom it is
21 issued, the dates on which such wagering is permitted, and
22 the track or location where the wagering is to be
23 conducted.

24 (6) All wagering under such license is subject to this
25 Act and to the rules and regulations from time to time
26 prescribed by the Board, and every such license issued by

1 the Board shall contain a recital to that effect.

2 (7) An inter-track wagering licensee or inter-track
3 wagering location licensee may accept wagers at the track
4 or location where it is licensed, or as otherwise provided
5 under this Act.

6 (8) Inter-track wagering or simulcast wagering shall
7 not be conducted at any track less than 5 miles from a
8 track at which a racing meeting is in progress.

9 (8.1) Inter-track wagering location licensees who
10 derive their licenses from a particular organization
11 licensee shall conduct inter-track wagering and simulcast
12 wagering only at locations which are either within 90 miles
13 of that race track where the particular organization
14 licensee is licensed to conduct racing, or within 135 miles
15 of that race track where the particular organization
16 licensee is licensed to conduct racing in the case of race
17 tracks in counties of less than 400,000 that were operating
18 on or before June 1, 1986. However, inter-track wagering
19 and simulcast wagering shall not be conducted by those
20 licensees at any location within 5 miles of any race track
21 at which a horse race meeting has been licensed in the
22 current year, unless the person having operating control of
23 such race track has given its written consent to such
24 inter-track wagering location licensees, which consent
25 must be filed with the Board at or prior to the time
26 application is made.

1 (8.2) Inter-track wagering or simulcast wagering shall
2 not be conducted by an inter-track wagering location
3 licensee at any location within 500 feet of an existing
4 church or existing school, nor within 500 feet of the
5 residences of more than 50 registered voters without
6 receiving written permission from a majority of the
7 registered voters at such residences. Such written
8 permission statements shall be filed with the Board. The
9 distance of 500 feet shall be measured to the nearest part
10 of any building used for worship services, education
11 programs, residential purposes, or conducting inter-track
12 wagering by an inter-track wagering location licensee, and
13 not to property boundaries. However, inter-track wagering
14 or simulcast wagering may be conducted at a site within 500
15 feet of a church, school or residences of 50 or more
16 registered voters if such church, school or residences have
17 been erected or established, or such voters have been
18 registered, after the Board issues the original
19 inter-track wagering location license at the site in
20 question. Inter-track wagering location licensees may
21 conduct inter-track wagering and simulcast wagering only
22 in areas that are zoned for commercial or manufacturing
23 purposes or in areas for which a special use has been
24 approved by the local zoning authority. However, no license
25 to conduct inter-track wagering and simulcast wagering
26 shall be granted by the Board with respect to any

1 inter-track wagering location within the jurisdiction of
2 any local zoning authority which has, by ordinance or by
3 resolution, prohibited the establishment of an inter-track
4 wagering location within its jurisdiction. However,
5 inter-track wagering and simulcast wagering may be
6 conducted at a site if such ordinance or resolution is
7 enacted after the Board licenses the original inter-track
8 wagering location licensee for the site in question.

9 (9) (Blank).

10 (10) An inter-track wagering licensee or an
11 inter-track wagering location licensee may retain, subject
12 to the payment of the privilege taxes and the purses, an
13 amount not to exceed 17% of all money wagered. Each program
14 of racing conducted by each inter-track wagering licensee
15 or inter-track wagering location licensee shall be
16 considered a separate racing day for the purpose of
17 determining the daily handle and computing the privilege
18 tax or pari-mutuel tax on such daily handle as provided in
19 Section 27.

20 (10.1) Except as provided in subsection (g) of Section
21 27 of this Act, inter-track wagering location licensees
22 shall pay 1% of the pari-mutuel handle at each location to
23 the municipality in which such location is situated and 1%
24 of the pari-mutuel handle at each location to the county in
25 which such location is situated. In the event that an
26 inter-track wagering location licensee is situated in an

1 unincorporated area of a county, such licensee shall pay 2%
2 of the pari-mutuel handle from such location to such
3 county.

4 (10.2) Notwithstanding any other provision of this
5 Act, with respect to intertrack wagering at a race track
6 located in a county that has a population of more than
7 230,000 and that is bounded by the Mississippi River ("the
8 first race track"), or at a facility operated by an
9 inter-track wagering licensee or inter-track wagering
10 location licensee that derives its license from the
11 organization licensee that operates the first race track,
12 on races conducted at the first race track or on races
13 conducted at another Illinois race track and
14 simultaneously televised to the first race track or to a
15 facility operated by an inter-track wagering licensee or
16 inter-track wagering location licensee that derives its
17 license from the organization licensee that operates the
18 first race track, those moneys shall be allocated as
19 follows:

20 (A) That portion of all moneys wagered on
21 standardbred racing that is required under this Act to
22 be paid to purses shall be paid to purses for
23 standardbred races.

24 (B) That portion of all moneys wagered on
25 thoroughbred racing that is required under this Act to
26 be paid to purses shall be paid to purses for

1 thoroughbred races.

2 (11) (A) After payment of the privilege or pari-mutuel
3 tax, any other applicable taxes, and the costs and expenses
4 in connection with the gathering, transmission, and
5 dissemination of all data necessary to the conduct of
6 inter-track wagering, the remainder of the monies retained
7 under either Section 26 or Section 26.2 of this Act by the
8 inter-track wagering licensee on inter-track wagering
9 shall be allocated with 50% to be split between the 2
10 participating licensees and 50% to purses, except that an
11 intertrack wagering licensee that derives its license from
12 a track located in a county with a population in excess of
13 230,000 and that borders the Mississippi River shall not
14 divide any remaining retention with the Illinois
15 organization licensee that provides the race or races, and
16 an intertrack wagering licensee that accepts wagers on
17 races conducted by an organization licensee that conducts a
18 race meet in a county with a population in excess of
19 230,000 and that borders the Mississippi River shall not
20 divide any remaining retention with that organization
21 licensee.

22 (B) From the sums permitted to be retained pursuant to
23 paragraph (10) of this subsection (h), ~~this Act~~ each
24 inter-track wagering location licensee shall pay the
25 following:

26 (i) the privilege or pari-mutuel tax to the State;

1 (ii) the following percentages ~~4.75%~~ of the
2 pari-mutuel handle on intertrack wagering at such
3 location on races as purses, except that an intertrack
4 wagering location licensee that derives its license
5 from a track located in a county with a population in
6 excess of 230,000 and that borders the Mississippi
7 River shall retain all purse moneys for its own purse
8 account consistent with distribution set forth in this
9 subsection (h), and intertrack wagering location
10 licensees that accept wagers on races conducted by an
11 organization licensee located in a county with a
12 population in excess of 230,000 and that borders the
13 Mississippi River shall distribute all purse moneys to
14 purses at the operating host track:

15 (I) until 6 months after the organizational
16 licensee from which the inter-track wagering
17 location licensee derives its license begins
18 conducting electronic gaming, 4.75%;

19 (II) beginning 6 months after the
20 organizational licensee from which the inter-track
21 wagering location licensee derives its license
22 begins conducting electronic gaming and until 12
23 months after that date, 5.75%; and

24 (III) beginning 12 months after the
25 organizational licensee from which the inter-track
26 wagering location licensee derives its license

1 begins conducting electronic gaming, 6.75%;

2 (iii) until January 1, 2000, except as provided in
3 subsection (g) of Section 27 of this Act, 1% of the
4 pari-mutuel handle wagered on inter-track wagering and
5 simulcast wagering at each inter-track wagering
6 location licensee facility to the Horse Racing Tax
7 Allocation Fund, provided that, to the extent the total
8 amount collected and distributed to the Horse Racing
9 Tax Allocation Fund under this subsection (h) during
10 any calendar year exceeds the amount collected and
11 distributed to the Horse Racing Tax Allocation Fund
12 during calendar year 1994, that excess amount shall be
13 redistributed (I) to all inter-track wagering location
14 licensees, based on each licensee's pro-rata share of
15 the total handle from inter-track wagering and
16 simulcast wagering for all inter-track wagering
17 location licensees during the calendar year in which
18 this provision is applicable; then (II) the amounts
19 redistributed to each inter-track wagering location
20 licensee as described in subpart (I) shall be further
21 redistributed as provided in subparagraph (B) of
22 paragraph (5) of subsection (g) of this Section 26
23 provided first, that the shares of those amounts, which
24 are to be redistributed to the host track or to purses
25 at the host track under subparagraph (B) of paragraph
26 (5) of subsection (g) of this Section 26 shall be

1 redistributed based on each host track's pro rata share
2 of the total inter-track wagering and simulcast
3 wagering handle at all host tracks during the calendar
4 year in question, and second, that any amounts
5 redistributed as described in part (I) to an
6 inter-track wagering location licensee that accepts
7 wagers on races conducted by an organization licensee
8 that conducts a race meet in a county with a population
9 in excess of 230,000 and that borders the Mississippi
10 River shall be further redistributed as provided in
11 subparagraphs (D) and (E) of paragraph (7) of
12 subsection (g) of this Section 26, with the portion of
13 that further redistribution allocated to purses at
14 that organization licensee to be divided between
15 standardbred purses and thoroughbred purses based on
16 the amounts otherwise allocated to purses at that
17 organization licensee during the calendar year in
18 question; and

19 (iv) the following percentages ~~8%~~ of the
20 pari-mutuel handle on inter-track wagering wagered at
21 such location to satisfy all costs and expenses of
22 conducting its wagering. The remainder of the monies
23 retained by the inter-track wagering location licensee
24 shall be allocated 40% to the location licensee and 60%
25 to the organization licensee which provides the
26 Illinois races to the location, except that an

1 intertrack wagering location licensee that derives its
2 license from a track located in a county with a
3 population in excess of 230,000 and that borders the
4 Mississippi River shall not divide any remaining
5 retention with the organization licensee that provides
6 the race or races and an intertrack wagering location
7 licensee that accepts wagers on races conducted by an
8 organization licensee that conducts a race meet in a
9 county with a population in excess of 230,000 and that
10 borders the Mississippi River shall not divide any
11 remaining retention with the organization licensee:

12 (I) until 6 months after the organizational
13 licensee from which the inter-track wagering
14 location licensee derives its license begins
15 conducting electronic gaming, 8%;

16 (II) beginning 6 months after the
17 organizational licensee from which the inter-track
18 wagering location licensee derives its license
19 begins conducting electronic gaming and until 12
20 months after that date, 7.5%; and

21 (III) beginning 12 months after the
22 organizational licensee from which the inter-track
23 wagering location licensee derives its license
24 begins conducting electronic gaming, 6.75%.

25 Notwithstanding the provisions of clauses (ii) and
26 (iv) of this paragraph, in the case of the additional

1 inter-track wagering location licenses authorized under
2 paragraph (1) of this subsection (h) by this amendatory Act
3 of 1991, those licensees shall pay the percentage of the
4 pari-mutuel handle required under clause (ii) of this
5 paragraph (B) following amounts as purses. ~~The : during the~~
6 ~~first 12 months the licensee is in operation, 5.25% of the~~
7 ~~pari mutuel handle wagered at the location on races; during~~
8 ~~the second 12 months, 5.25%; during the third 12 months,~~
9 ~~5.75%; during the fourth 12 months, 6.25%; and during the~~
10 ~~fifth 12 months and thereafter, 6.75%. The following~~
11 ~~amounts shall be retained by the licensee shall retain the~~
12 percentage of the pari-mutuel handle required under clause
13 (iv) of this paragraph (B) to satisfy all costs and
14 expenses of conducting its wagering. ~~during the first 12~~
15 ~~months the licensee is in operation, 8.25% of the~~
16 ~~pari mutuel handle wagered at the location; during the~~
17 ~~second 12 months, 8.25%; during the third 12 months, 7.75%;~~
18 ~~during the fourth 12 months, 7.25%; and during the fifth 12~~
19 ~~months and thereafter, 6.75%. For additional intertrack~~
20 wagering location licensees authorized under Public Act
21 89-16, after all taxes are paid, of the remainder, 50%
22 shall be retained by the licensee and 50% shall be paid to
23 purses. ~~this amendatory Act of 1995, purses for the first~~
24 ~~12 months the licensee is in operation shall be 5.75% of~~
25 ~~the pari-mutuel wagered at the location, purses for the~~
26 ~~second 12 months the licensee is in operation shall be~~

1 ~~6.25%, and purses thereafter shall be 6.75%. For additional~~
2 ~~intertrack location licensees authorized under this~~
3 ~~amendatory Act of 1995, the licensee shall be allowed to~~
4 ~~retain to satisfy all costs and expenses: 7.75% of the~~
5 ~~pari mutuel handle wagered at the location during its first~~
6 ~~12 months of operation, 7.25% during its second 12 months~~
7 ~~of operation, and 6.75% thereafter.~~

8 (C) There is hereby created the Horse Racing Tax
9 Allocation Fund which shall remain in existence until
10 December 31, 1999. Moneys remaining in the Fund after
11 December 31, 1999 shall be paid into the General Revenue
12 Fund. Until January 1, 2000, all monies paid into the Horse
13 Racing Tax Allocation Fund pursuant to this paragraph (11)
14 by inter-track wagering location licensees located in park
15 districts of 500,000 population or less, or in a
16 municipality that is not included within any park district
17 but is included within a conservation district and is the
18 county seat of a county that (i) is contiguous to the state
19 of Indiana and (ii) has a 1990 population of 88,257
20 according to the United States Bureau of the Census, and
21 operating on May 1, 1994 shall be allocated by
22 appropriation as follows:

23 Two-sevenths to the Department of Agriculture.
24 Fifty percent of this two-sevenths shall be used to
25 promote the Illinois horse racing and breeding
26 industry, and shall be distributed by the Department of

1 Agriculture upon the advice of a 9-member committee
2 appointed by the Governor consisting of the following
3 members: the Director of Agriculture, who shall serve
4 as chairman; 2 representatives of organization
5 licensees conducting thoroughbred race meetings in
6 this State, recommended by those licensees; 2
7 representatives of organization licensees conducting
8 standardbred race meetings in this State, recommended
9 by those licensees; a representative of the Illinois
10 Thoroughbred Breeders and Owners Foundation,
11 recommended by that Foundation; a representative of
12 the Illinois Standardbred Owners and Breeders
13 Association, recommended by that Association; a
14 representative of the Horsemen's Benevolent and
15 Protective Association or any successor organization
16 thereto established in Illinois comprised of the
17 largest number of owners and trainers, recommended by
18 that Association or that successor organization; and a
19 representative of the Illinois Harness Horsemen's
20 Association, recommended by that Association.
21 Committee members shall serve for terms of 2 years,
22 commencing January 1 of each even-numbered year. If a
23 representative of any of the above-named entities has
24 not been recommended by January 1 of any even-numbered
25 year, the Governor shall appoint a committee member to
26 fill that position. Committee members shall receive no

1 compensation for their services as members but shall be
2 reimbursed for all actual and necessary expenses and
3 disbursements incurred in the performance of their
4 official duties. The remaining 50% of this
5 two-sevenths shall be distributed to county fairs for
6 premiums and rehabilitation as set forth in the
7 Agricultural Fair Act;

8 Four-sevenths to park districts or municipalities
9 that do not have a park district of 500,000 population
10 or less for museum purposes (if an inter-track wagering
11 location licensee is located in such a park district)
12 or to conservation districts for museum purposes (if an
13 inter-track wagering location licensee is located in a
14 municipality that is not included within any park
15 district but is included within a conservation
16 district and is the county seat of a county that (i) is
17 contiguous to the state of Indiana and (ii) has a 1990
18 population of 88,257 according to the United States
19 Bureau of the Census, except that if the conservation
20 district does not maintain a museum, the monies shall
21 be allocated equally between the county and the
22 municipality in which the inter-track wagering
23 location licensee is located for general purposes) or
24 to a municipal recreation board for park purposes (if
25 an inter-track wagering location licensee is located
26 in a municipality that is not included within any park

1 district and park maintenance is the function of the
2 municipal recreation board and the municipality has a
3 1990 population of 9,302 according to the United States
4 Bureau of the Census); provided that the monies are
5 distributed to each park district or conservation
6 district or municipality that does not have a park
7 district in an amount equal to four-sevenths of the
8 amount collected by each inter-track wagering location
9 licensee within the park district or conservation
10 district or municipality for the Fund. Monies that were
11 paid into the Horse Racing Tax Allocation Fund before
12 the effective date of this amendatory Act of 1991 by an
13 inter-track wagering location licensee located in a
14 municipality that is not included within any park
15 district but is included within a conservation
16 district as provided in this paragraph shall, as soon
17 as practicable after the effective date of this
18 amendatory Act of 1991, be allocated and paid to that
19 conservation district as provided in this paragraph.
20 Any park district or municipality not maintaining a
21 museum may deposit the monies in the corporate fund of
22 the park district or municipality where the
23 inter-track wagering location is located, to be used
24 for general purposes; and

25 One-seventh to the Agricultural Premium Fund to be
26 used for distribution to agricultural home economics

1 extension councils in accordance with "An Act in
2 relation to additional support and finances for the
3 Agricultural and Home Economic Extension Councils in
4 the several counties of this State and making an
5 appropriation therefor", approved July 24, 1967.

6 Until January 1, 2000, all other monies paid into the
7 Horse Racing Tax Allocation Fund pursuant to this paragraph
8 (11) shall be allocated by appropriation as follows:

9 Two-sevenths to the Department of Agriculture.
10 Fifty percent of this two-sevenths shall be used to
11 promote the Illinois horse racing and breeding
12 industry, and shall be distributed by the Department of
13 Agriculture upon the advice of a 9-member committee
14 appointed by the Governor consisting of the following
15 members: the Director of Agriculture, who shall serve
16 as chairman; 2 representatives of organization
17 licensees conducting thoroughbred race meetings in
18 this State, recommended by those licensees; 2
19 representatives of organization licensees conducting
20 standardbred race meetings in this State, recommended
21 by those licensees; a representative of the Illinois
22 Thoroughbred Breeders and Owners Foundation,
23 recommended by that Foundation; a representative of
24 the Illinois Standardbred Owners and Breeders
25 Association, recommended by that Association; a
26 representative of the Horsemen's Benevolent and

1 Protective Association or any successor organization
2 thereto established in Illinois comprised of the
3 largest number of owners and trainers, recommended by
4 that Association or that successor organization; and a
5 representative of the Illinois Harness Horsemen's
6 Association, recommended by that Association.
7 Committee members shall serve for terms of 2 years,
8 commencing January 1 of each even-numbered year. If a
9 representative of any of the above-named entities has
10 not been recommended by January 1 of any even-numbered
11 year, the Governor shall appoint a committee member to
12 fill that position. Committee members shall receive no
13 compensation for their services as members but shall be
14 reimbursed for all actual and necessary expenses and
15 disbursements incurred in the performance of their
16 official duties. The remaining 50% of this
17 two-sevenths shall be distributed to county fairs for
18 premiums and rehabilitation as set forth in the
19 Agricultural Fair Act;

20 Four-sevenths to museums and aquariums located in
21 park districts of over 500,000 population; provided
22 that the monies are distributed in accordance with the
23 previous year's distribution of the maintenance tax
24 for such museums and aquariums as provided in Section 2
25 of the Park District Aquarium and Museum Act; and

26 One-seventh to the Agricultural Premium Fund to be

1 used for distribution to agricultural home economics
2 extension councils in accordance with "An Act in
3 relation to additional support and finances for the
4 Agricultural and Home Economic Extension Councils in
5 the several counties of this State and making an
6 appropriation therefor", approved July 24, 1967. This
7 subparagraph (C) shall be inoperative and of no force
8 and effect on and after January 1, 2000.

9 (D) Except as provided in paragraph (11) of this
10 subsection (h), with respect to purse allocation from
11 intertrack wagering, the monies so retained shall be
12 divided as follows:

13 (i) If the inter-track wagering licensee,
14 except an intertrack wagering licensee that
15 derives its license from an organization licensee
16 located in a county with a population in excess of
17 230,000 and bounded by the Mississippi River, is
18 not conducting its own race meeting during the same
19 dates, then the entire purse allocation shall be to
20 purses at the track where the races wagered on are
21 being conducted.

22 (ii) If the inter-track wagering licensee,
23 except an intertrack wagering licensee that
24 derives its license from an organization licensee
25 located in a county with a population in excess of
26 230,000 and bounded by the Mississippi River, is

1 also conducting its own race meeting during the
2 same dates, then the purse allocation shall be as
3 follows: 50% to purses at the track where the races
4 wagered on are being conducted; 50% to purses at
5 the track where the inter-track wagering licensee
6 is accepting such wagers.

7 (iii) If the inter-track wagering is being
8 conducted by an inter-track wagering location
9 licensee, except an intertrack wagering location
10 licensee that derives its license from an
11 organization licensee located in a county with a
12 population in excess of 230,000 and bounded by the
13 Mississippi River, the entire purse allocation for
14 Illinois races shall be to purses at the track
15 where the race meeting being wagered on is being
16 held.

17 (12) The Board shall have all powers necessary and
18 proper to fully supervise and control the conduct of
19 inter-track wagering and simulcast wagering by inter-track
20 wagering licensees and inter-track wagering location
21 licensees, including, but not limited to the following:

22 (A) The Board is vested with power to promulgate
23 reasonable rules and regulations for the purpose of
24 administering the conduct of this wagering and to
25 prescribe reasonable rules, regulations and conditions
26 under which such wagering shall be held and conducted.

1 Such rules and regulations are to provide for the
2 prevention of practices detrimental to the public
3 interest and for the best interests of said wagering
4 and to impose penalties for violations thereof.

5 (B) The Board, and any person or persons to whom it
6 delegates this power, is vested with the power to enter
7 the facilities of any licensee to determine whether
8 there has been compliance with the provisions of this
9 Act and the rules and regulations relating to the
10 conduct of such wagering.

11 (C) The Board, and any person or persons to whom it
12 delegates this power, may eject or exclude from any
13 licensee's facilities, any person whose conduct or
14 reputation is such that his presence on such premises
15 may, in the opinion of the Board, call into the
16 question the honesty and integrity of, or interfere
17 with the orderly conduct of such wagering; provided,
18 however, that no person shall be excluded or ejected
19 from such premises solely on the grounds of race,
20 color, creed, national origin, ancestry, or sex.

21 (D) (Blank).

22 (E) The Board is vested with the power to appoint
23 delegates to execute any of the powers granted to it
24 under this Section for the purpose of administering
25 this wagering and any rules and regulations
26 promulgated in accordance with this Act.

1 (F) The Board shall name and appoint a State
2 director of this wagering who shall be a representative
3 of the Board and whose duty it shall be to supervise
4 the conduct of inter-track wagering as may be provided
5 for by the rules and regulations of the Board; such
6 rules and regulation shall specify the method of
7 appointment and the Director's powers, authority and
8 duties.

9 (G) The Board is vested with the power to impose
10 civil penalties of up to \$5,000 against individuals and
11 up to \$10,000 against licensees for each violation of
12 any provision of this Act relating to the conduct of
13 this wagering, any rules adopted by the Board, any
14 order of the Board or any other action which in the
15 Board's discretion, is a detriment or impediment to
16 such wagering.

17 (13) The Department of Agriculture may enter into
18 agreements with licensees authorizing such licensees to
19 conduct inter-track wagering on races to be held at the
20 licensed race meetings conducted by the Department of
21 Agriculture. Such agreement shall specify the races of the
22 Department of Agriculture's licensed race meeting upon
23 which the licensees will conduct wagering. In the event
24 that a licensee conducts inter-track pari-mutuel wagering
25 on races from the Illinois State Fair or DuQuoin State Fair
26 which are in addition to the licensee's previously approved

1 racing program, those races shall be considered a separate
2 racing day for the purpose of determining the daily handle
3 and computing the privilege or pari-mutuel tax on that
4 daily handle as provided in Sections 27 and 27.1. Such
5 agreements shall be approved by the Board before such
6 wagering may be conducted. In determining whether to grant
7 approval, the Board shall give due consideration to the
8 best interests of the public and of horse racing. The
9 provisions of paragraphs (1), (8), (8.1), and (8.2) of
10 subsection (h) of this Section which are not specified in
11 this paragraph (13) shall not apply to licensed race
12 meetings conducted by the Department of Agriculture at the
13 Illinois State Fair in Sangamon County or the DuQuoin State
14 Fair in Perry County, or to any wagering conducted on those
15 race meetings.

16 (i) Notwithstanding the other provisions of this Act, the
17 conduct of wagering at wagering facilities is authorized on all
18 days, except as limited by subsection (b) of Section 19 of this
19 Act.

20 (Source: P.A. 91-40, eff. 6-25-99; 92-211, eff. 8-2-01.)

21 (230 ILCS 5/26.1) (from Ch. 8, par. 37-26.1)

22 Sec. 26.1. For all pari-mutuel wagering conducted pursuant
23 to this Act, breakage shall be at all times computed on the
24 basis of not to exceed 10¢ on the dollar. If there is a minus
25 pool, the breakage shall be computed on the basis of not to

1 exceed 5¢ on the dollar. Breakage shall be calculated only
2 after the amounts retained by licensees pursuant to Sections 26
3 and 26.2 of this Act, and all applicable surcharges, are taken
4 out of winning wagers and winnings from wagers. From Beginning
5 January 1, 2000 until the first day electronic gaming is
6 conducted by an organization licensee, all breakage shall be
7 retained by licensees, with 50% of breakage to be used by
8 licensees for racetrack improvements at the racetrack from
9 which the wagering facility derives its license. The remaining
10 50% is to be allocated 50% to the purse account for the
11 licensee from which the wagering facility derives its license
12 and 50% to the licensee. Beginning on the first day electronic
13 gaming is conducted by an organization licensee, all breakage
14 shall be retained by licensees, with 50% of breakage to be used
15 by licensees for racetrack improvements at the racetrack from
16 which the wagering facility derives its license. The remaining
17 50% is to be allocated to the purse account for the licensee
18 from which the wagering facility derives its license.

19 (Source: P.A. 91-40, eff. 6-25-99.)

20 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

21 Sec. 27. (a) Beginning on the date an organization licensee
22 begins conducting electronic gaming pursuant to an electronic
23 gaming license, the following pari-mutuel tax is imposed upon
24 an organization licensee on Illinois races at that licensee's
25 race track as follows:

1 1.5% of the pari-mutuel handle at or below the average
2 daily pari-mutuel handle for 2007.

3 2% of the pari-mutuel handle above the average daily
4 pari-mutuel handle for 2007 up to 125% of the average daily
5 pari-mutuel handle for 2007.

6 2.5% of the pari-mutuel handle 125% or more above the
7 average daily pari-mutuel handle for 2007 up to 150% of the
8 average daily pari-mutuel handle for 2007.

9 3% of the pari-mutuel handle 150% or more above the
10 average daily pari-mutuel handle for 2007 up to 175% of the
11 average daily pari-mutuel handle for 2007.

12 3.5% of the pari-mutuel handle 175% or more above the
13 average daily pari-mutuel handle for 2007.

14 The pari-mutuel tax imposed by this subsection (a) shall be
15 remitted to the Board within 48 hours after the close of the
16 racing day upon which it is assessed or within such other time
17 as the Board prescribes. In addition to the organization
18 license fee provided by this Act, until January 1, 2000, a
19 graduated privilege tax is hereby imposed for conducting the
20 pari-mutuel system of wagering permitted under this Act. Until
21 January 1, 2000, except as provided in subsection (g) of
22 Section 27 of this Act, all of the breakage of each racing day
23 held by any licensee in the State shall be paid to the State.
24 Until January 1, 2000, such daily graduated privilege tax shall
25 be paid by the licensee from the amount permitted to be
26 retained under this Act. Until January 1, 2000, each day's

1 ~~graduated privilege tax, breakage, and Horse Racing Tax~~
2 ~~Allocation funds shall be remitted to the Department of Revenue~~
3 ~~within 48 hours after the close of the racing day upon which it~~
4 ~~is assessed or within such other time as the Board prescribes.~~
5 ~~The privilege tax hereby imposed, until January 1, 2000, shall~~
6 ~~be a flat tax at the rate of 2% of the daily pari mutuel handle~~
7 ~~except as provided in Section 27.1.~~

8 ~~In addition, every organization licensee, except as~~
9 ~~provided in Section 27.1 of this Act, which conducts multiple~~
10 ~~wagering shall pay, until January 1, 2000, as a privilege tax~~
11 ~~on multiple wagers an amount equal to 1.25% of all moneys~~
12 ~~wagered each day on such multiple wagers, plus an additional~~
13 ~~amount equal to 3.5% of the amount wagered each day on any~~
14 ~~other multiple wager which involves a single betting interest~~
15 ~~on 3 or more horses. The licensee shall remit the amount of~~
16 ~~such taxes to the Department of Revenue within 48 hours after~~
17 ~~the close of the racing day on which it is assessed or within~~
18 ~~such other time as the Board prescribes.~~

19 ~~This subsection (a) shall be inoperative and of no force~~
20 ~~and effect on and after January 1, 2000.~~

21 (a-5) Except as provided in this subsection (a-5) and
22 subsection (a) of this Section, Beginning on January 1, 2000, a
23 flat pari-mutuel tax at the rate of 1.5% of the daily
24 pari-mutuel handle is imposed on ~~at~~ all pari-mutuel wagering
25 facilities, except as otherwise provided for in this subsection
26 (a-5). Until an organization licensee located in a county that

1 borders the Mississippi River and conducted live racing in the
2 previous year begins conducting electronic gaming pursuant an
3 electronic gaming license ~~Beginning on the effective date of~~
4 ~~this amendatory Act of the 94th General Assembly and until~~
5 ~~moneys deposited pursuant to Section 54 are distributed and~~
6 ~~received~~, a pari-mutuel tax at the rate of 0.25% of the daily
7 pari-mutuel handle is imposed on ~~at a~~ pari-mutuel wagering
8 conducted by that licensee facility whose license is derived
9 ~~from a track located in a county that borders the Mississippi~~
10 ~~River and conducted live racing in the previous year.~~ When an
11 organization licensee located in a county that borders the
12 Mississippi River and conducted live racing in the previous
13 year begins conducting electronic gaming pursuant an
14 electronic gaming license ~~After moneys deposited pursuant to~~
15 ~~Section 54 are distributed and received~~, a pari-mutuel tax at
16 the rate of 1.5% of the daily pari-mutuel handle is imposed on
17 ~~at a~~ pari-mutuel wagering conducted by that licensee facility
18 ~~whose license is derived from a track located in a county that~~
19 ~~borders the Mississippi River and conducted live racing in the~~
20 ~~previous year.~~ The pari-mutuel tax imposed by this subsection
21 (a-5) shall be remitted to the Department of Revenue within 48
22 hours after the close of the racing day upon which it is
23 assessed or within such other time as the Board prescribes.

24 (b) On or before December 31, 1999, in the event that any
25 organization licensee conducts 2 separate programs of races on
26 any day, each such program shall be considered a separate

1 racing day for purposes of determining the daily handle and
2 computing the privilege tax on such daily handle as provided in
3 subsection (a) of this Section.

4 (c) Licensees shall at all times keep accurate books and
5 records of all monies wagered on each day of a race meeting and
6 of the taxes paid to the Department of Revenue under the
7 provisions of this Section. The Board or its duly authorized
8 representative or representatives shall at all reasonable
9 times have access to such records for the purpose of examining
10 and checking the same and ascertaining whether the proper
11 amount of taxes is being paid as provided. The Board shall
12 require verified reports and a statement of the total of all
13 monies wagered daily at each wagering facility upon which the
14 taxes are assessed and may prescribe forms upon which such
15 reports and statement shall be made.

16 (d) Any licensee failing or refusing to pay the amount of
17 any tax due under this Section shall be guilty of a business
18 offense and upon conviction shall be fined not more than \$5,000
19 in addition to the amount found due as tax under this Section.
20 Each day's violation shall constitute a separate offense. All
21 fines paid into Court by a licensee hereunder shall be
22 transmitted and paid over by the Clerk of the Court to the
23 Board.

24 (e) No other license fee, privilege tax, excise tax, or
25 racing fee, except as provided in this Act, shall be assessed
26 or collected from any such licensee by the State.

1 (f) No other license fee, privilege tax, excise tax or
2 racing fee shall be assessed or collected from any such
3 licensee by units of local government except as provided in
4 paragraph 10.1 of subsection (h) and subsection (f) of Section
5 26 of this Act. However, any municipality that has a Board
6 licensed horse race meeting at a race track wholly within its
7 corporate boundaries or a township that has a Board licensed
8 horse race meeting at a race track wholly within the
9 unincorporated area of the township may charge a local
10 amusement tax not to exceed 10¢ per admission to such horse
11 race meeting by the enactment of an ordinance. However, any
12 municipality or county that has a Board licensed inter-track
13 wagering location facility wholly within its corporate
14 boundaries may each impose an admission fee not to exceed \$1.00
15 per admission to such inter-track wagering location facility,
16 so that a total of not more than \$2.00 per admission may be
17 imposed. Except as provided in subparagraph (g) of Section 27
18 of this Act, the inter-track wagering location licensee shall
19 collect any and all such fees and within 48 hours remit the
20 fees to the Board, which shall, pursuant to rule, cause the
21 fees to be distributed to the county or municipality.

22 (g) Notwithstanding any provision in this Act to the
23 contrary, if in any calendar year the total taxes and fees from
24 wagering on live racing and from inter-track wagering required
25 to be collected from licensees and distributed under this Act
26 to all State and local governmental authorities exceeds the

1 amount of such taxes and fees distributed to each State and
2 local governmental authority to which each State and local
3 governmental authority was entitled under this Act for calendar
4 year 1994, then the first \$11 million of that excess amount
5 shall be allocated at the earliest possible date for
6 distribution as purse money for the succeeding calendar year.
7 Upon reaching the 1994 level, and until the excess amount of
8 taxes and fees exceeds \$11 million, the Board shall direct all
9 licensees to cease paying the subject taxes and fees and the
10 Board shall direct all licensees to allocate any such excess
11 amount for purses as follows:

12 (i) the excess amount shall be initially divided
13 between thoroughbred and standardbred purses based on the
14 thoroughbred's and standardbred's respective percentages
15 of total Illinois live wagering in calendar year 1994;

16 (ii) each thoroughbred and standardbred organization
17 licensee issued an organization licensee in that
18 succeeding allocation year shall be allocated an amount
19 equal to the product of its percentage of total Illinois
20 live thoroughbred or standardbred wagering in calendar
21 year 1994 (the total to be determined based on the sum of
22 1994 on-track wagering for all organization licensees
23 issued organization licenses in both the allocation year
24 and the preceding year) multiplied by the total amount
25 allocated for standardbred or thoroughbred purses,
26 provided that the first \$1,500,000 of the amount allocated

1 to standardbred purses under item (i) shall be allocated to
2 the Department of Agriculture to be expended with the
3 assistance and advice of the Illinois Standardbred
4 Breeders Funds Advisory Board for the purposes listed in
5 subsection (g) of Section 31 of this Act, before the amount
6 allocated to standardbred purses under item (i) is
7 allocated to standardbred organization licensees in the
8 succeeding allocation year.

9 To the extent the excess amount of taxes and fees to be
10 collected and distributed to State and local governmental
11 authorities exceeds \$11 million, that excess amount shall be
12 collected and distributed to State and local authorities as
13 provided for under this Act.

14 (Source: P.A. 94-805, eff. 5-26-06.)

15 (230 ILCS 5/28.1)

16 Sec. 28.1. Payments.

17 (a) Beginning on January 1, 2000, moneys collected by the
18 Department of Revenue and the Racing Board pursuant to Section
19 26 or Section 27 of this Act shall be deposited into the Horse
20 Racing Fund, which is hereby created as a non-appropriated
21 trust ~~special~~ fund in the State Treasury.

22 The Horse Racing Fund shall not be subject to sweeps,
23 administrative charges, or charge backs, including, but not
24 limited to, those authorized under Section 8h of the State
25 Finance Act, or any other fiscal or budgetary maneuver that

1 would in any way transfer any funds from the Horse Racing Fund
2 into any other fund of the State, except as provided in
3 subsection (c).

4 (b) Appropriations, as approved by the General Assembly,
5 may be made from the Horse Racing Fund to the Board to pay the
6 salaries of the Board members, secretary, stewards, directors
7 of mutuels, veterinarians, representatives, accountants,
8 clerks, stenographers, inspectors and other employees of the
9 Board, and all expenses of the Board incident to the
10 administration of this Act, including, but not limited to, all
11 expenses and salaries incident to the taking of saliva and
12 urine samples in accordance with the rules and regulations of
13 the Board.

14 (c) Beginning on January 1, 2000, the Board shall transfer
15 the remainder of the funds generated pursuant to Sections 26
16 and 27 from the Horse Racing Fund into the General Revenue
17 Fund.

18 (d) Beginning January 1, 2000, payments to all programs in
19 existence on the effective date of this amendatory Act of 1999
20 that are identified in Sections 26(c), 26(f), 26(h)(11)(C), and
21 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of
22 Section 30, and subsections (a), (b), (c), (d), (e), (f), (g),
23 and (h) of Section 31 shall be made from the General Revenue
24 Fund at the funding levels determined by amounts paid under
25 this Act in calendar year 1998. Beginning on the effective date
26 of this amendatory Act of the 93rd General Assembly, payments

1 to the Peoria Park District shall be made from the General
2 Revenue Fund at the funding level determined by amounts paid to
3 that park district for museum purposes under this Act in
4 calendar year 1994. Beginning on the effective date of this
5 amendatory Act of the 94th General Assembly, in lieu of
6 payments to the Champaign Park District for museum purposes,
7 payments to the Urbana Park District shall be made from the
8 General Revenue Fund at the funding level determined by amounts
9 paid to the Champaign Park District for museum purposes under
10 this Act in calendar year 2005.

11 (e) Beginning July 1, 2006, the payment authorized under
12 subsection (d) to museums and aquariums located in park
13 districts of over 500,000 population shall be paid to museums,
14 aquariums, and zoos in amounts determined by Museums in the
15 Park, an association of museums, aquariums, and zoos located on
16 Chicago Park District property.

17 (f) Beginning July 1, 2007, the Children's Discovery Museum
18 in Normal, Illinois shall receive payments from the General
19 Revenue Fund at the funding level determined by the amounts
20 paid to the Miller Park Zoo in Bloomington, Illinois under this
21 Section in calendar year 2006.

22 (g) Notwithstanding any other provision of this Act to the
23 contrary, moneys paid into the Illinois Colt Stakes
24 Distribution Fund may be distributed by the Department of
25 Agriculture to Illinois county fairs to supplement premiums
26 offered in junior classes.

1 (Source: P.A. 94-813, eff. 5-26-06; 95-222, eff. 8-16-07.)

2 (230 ILCS 5/30) (from Ch. 8, par. 37-30)

3 Sec. 30. (a) The General Assembly declares that it is the
4 policy of this State to encourage the breeding of thoroughbred
5 horses in this State and the ownership of such horses by
6 residents of this State in order to provide for: sufficient
7 numbers of high quality thoroughbred horses to participate in
8 thoroughbred racing meetings in this State, and to establish
9 and preserve the agricultural and commercial benefits of such
10 breeding and racing industries to the State of Illinois. It is
11 the intent of the General Assembly to further this policy by
12 the provisions of this Act.

13 (b) Each organization licensee conducting a thoroughbred
14 racing meeting pursuant to this Act shall provide at least two
15 races each day limited to Illinois conceived and foaled horses
16 or Illinois foaled horses or both. A minimum of 6 races shall
17 be conducted each week limited to Illinois conceived and foaled
18 or Illinois foaled horses or both. Subject to the daily
19 availability of horses, one of the 6 races scheduled per week
20 that are limited to Illinois conceived and foaled or Illinois
21 foaled horses or both shall be limited to Illinois conceived
22 and foaled or Illinois foaled maidens. No horses shall be
23 permitted to start in such races unless duly registered under
24 the rules of the Department of Agriculture.

25 (c) Conditions of races under subsection (b) shall be

1 commensurate with past performance, quality, and class of
2 Illinois conceived and foaled and Illinois foaled horses
3 available. If, however, sufficient competition cannot be had
4 among horses of that class on any day, the races may, with
5 consent of the Board, be eliminated for that day and substitute
6 races provided.

7 (d) There is hereby created a non-appropriated trust
8 ~~special~~ fund of the State Treasury to be known as the Illinois
9 Thoroughbred Breeders Fund.

10 Except as provided in subsection (g) of Section 27 of this
11 Act, 8.5% of all the monies received by the State as privilege
12 taxes on Thoroughbred racing meetings shall be paid into the
13 Illinois Thoroughbred Breeders Fund. The Illinois Thoroughbred
14 Breeders Fund shall not be subject to sweeps, administrative
15 charges, or charge backs, including, but not limited to, those
16 authorized under Section 8h of the State Finance Act, or any
17 other fiscal or budgetary maneuver that would in any way
18 transfer any funds from the Illinois Thoroughbred Breeders Fund
19 into any other fund of the State.

20 (e) The Illinois Thoroughbred Breeders Fund shall be
21 administered by the Department of Agriculture with the advice
22 and assistance of the Advisory Board created in subsection (f)
23 of this Section.

24 (f) The Illinois Thoroughbred Breeders Fund Advisory Board
25 shall consist of the Director of the Department of Agriculture,
26 who shall serve as Chairman; a member of the Illinois Racing

1 Board, designated by it; 2 representatives of the organization
2 licensees conducting thoroughbred racing meetings, recommended
3 by them; 2 representatives of the Illinois Thoroughbred
4 Breeders and Owners Foundation, recommended by it; and 2
5 representatives of the Horsemen's Benevolent Protective
6 Association or any successor organization established in
7 Illinois comprised of the largest number of owners and
8 trainers, recommended by it, with one representative of the
9 Horsemen's Benevolent and Protective Association to come from
10 its Illinois Division, and one from its Chicago Division.
11 Advisory Board members shall serve for 2 years commencing
12 January 1 of each odd numbered year. If representatives of the
13 organization licensees conducting thoroughbred racing
14 meetings, the Illinois Thoroughbred Breeders and Owners
15 Foundation, and the Horsemen's Benevolent Protection
16 Association have not been recommended by January 1, of each odd
17 numbered year, the Director of the Department of Agriculture
18 shall make an appointment for the organization failing to so
19 recommend a member of the Advisory Board. Advisory Board
20 members shall receive no compensation for their services as
21 members but shall be reimbursed for all actual and necessary
22 expenses and disbursements incurred in the execution of their
23 official duties.

24 (g) Moneys in ~~No monies shall be expended from the Illinois~~
25 ~~Thoroughbred Breeders Fund except as appropriated by the~~
26 ~~General Assembly. Monies appropriated from the Illinois~~

1 Thoroughbred Breeders Fund shall be expended by the Department
2 of Agriculture, with the advice and assistance of the Illinois
3 Thoroughbred Breeders Fund Advisory Board, for the following
4 purposes only:

5 (1) To provide purse supplements to owners of horses
6 participating in races limited to Illinois conceived and
7 foaled and Illinois foaled horses. Any such purse
8 supplements shall not be included in and shall be paid in
9 addition to any purses, stakes, or breeders' awards offered
10 by each organization licensee as determined by agreement
11 between such organization licensee and an organization
12 representing the horsemen. No monies from the Illinois
13 Thoroughbred Breeders Fund shall be used to provide purse
14 supplements for claiming races in which the minimum
15 claiming price is less than \$7,500.

16 (2) To provide stakes and awards to be paid to the
17 owners of the winning horses in certain races limited to
18 Illinois conceived and foaled and Illinois foaled horses
19 designated as stakes races.

20 (2.5) To provide an award to the owner or owners of an
21 Illinois conceived and foaled or Illinois foaled horse that
22 wins a maiden special weight, an allowance, overnight
23 handicap race, or claiming race with claiming price of
24 \$10,000 or more providing the race is not restricted to
25 Illinois conceived and foaled or Illinois foaled horses.
26 Awards shall also be provided to the owner or owners of

1 Illinois conceived and foaled and Illinois foaled horses
2 that place second or third in those races. To the extent
3 that additional moneys are required to pay the minimum
4 additional awards of 40% of the purse the horse earns for
5 placing first, second or third in those races for Illinois
6 foaled horses and of 60% of the purse the horse earns for
7 placing first, second or third in those races for Illinois
8 conceived and foaled horses, those moneys shall be provided
9 from the purse account at the track where earned.

10 (3) To provide stallion awards to the owner or owners
11 of any stallion that is duly registered with the Illinois
12 Thoroughbred Breeders Fund Program ~~prior to the effective~~
13 ~~date of this amendatory Act of 1995~~ whose duly registered
14 Illinois conceived and foaled offspring wins a race
15 conducted at an Illinois thoroughbred racing meeting other
16 than a claiming race. Such award shall not be paid to the
17 owner or owners of an Illinois stallion that served outside
18 this State at any time during the calendar year in which
19 such race was conducted.

20 (4) To provide \$75,000 annually for purses to be
21 distributed to county fairs that provide for the running of
22 races during each county fair exclusively for the
23 thoroughbreds conceived and foaled in Illinois. The
24 conditions of the races shall be developed by the county
25 fair association and reviewed by the Department with the
26 advice and assistance of the Illinois Thoroughbred

1 Breeders Fund Advisory Board. There shall be no wagering of
2 any kind on the running of Illinois conceived and foaled
3 races at county fairs.

4 (4.1) To provide purse money for an Illinois stallion
5 stakes program.

6 (5) No less than 80% of all monies appropriated from
7 the Illinois Thoroughbred Breeders Fund shall be expended
8 for the purposes in (1), (2), (2.5), (3), (4), (4.1), and
9 (5) as shown above.

10 (6) To provide for educational programs regarding the
11 thoroughbred breeding industry.

12 (7) To provide for research programs concerning the
13 health, development and care of the thoroughbred horse.

14 (8) To provide for a scholarship and training program
15 for students of equine veterinary medicine.

16 (9) To provide for dissemination of public information
17 designed to promote the breeding of thoroughbred horses in
18 Illinois.

19 (10) To provide for all expenses incurred in the
20 administration of the Illinois Thoroughbred Breeders Fund.

21 (h) Whenever the Governor finds that the amount in the
22 Illinois Thoroughbred Breeders Fund is more than the total of
23 the outstanding appropriations from such fund, the Governor
24 shall notify the State Comptroller and the State Treasurer of
25 such fact. The Comptroller and the State Treasurer, upon
26 receipt of such notification, shall transfer such excess amount

1 from the Illinois Thoroughbred Breeders Fund to the General
2 Revenue Fund.

3 (i) A sum equal to 17% ~~12 1/2%~~ of the first prize money of
4 every purse won by an Illinois foaled or an Illinois conceived
5 and foaled horse in races not limited to Illinois foaled horses
6 or Illinois conceived and foaled horses, or both, shall be paid
7 by the organization licensee conducting the horse race meeting.
8 Such sum shall be paid from the organization licensee's share
9 of the money wagered as follows: 15% ~~11 1/2%~~ to the breeder of
10 the winning horse and 2% ~~1%~~ to the organization representing
11 thoroughbred breeders and owners whose representative serves
12 on the Illinois Thoroughbred Breeders Fund Advisory Board for
13 verifying the amounts of breeders' awards earned, assuring
14 their distribution in accordance with this Act, and servicing
15 and promoting the Illinois thoroughbred horse racing industry.
16 The organization representing thoroughbred breeders and owners
17 shall cause all expenditures of monies received under this
18 subsection (i) to be audited at least annually by a registered
19 public accountant. The organization shall file copies of each
20 annual audit with the Racing Board, the Clerk of the House of
21 Representatives and the Secretary of the Senate, and shall make
22 copies of each annual audit available to the public upon
23 request and upon payment of the reasonable cost of photocopying
24 the requested number of copies. Such payments shall not reduce
25 any award to the owner of the horse or reduce the taxes payable
26 under this Act. Upon completion of its racing meet, each

1 organization licensee shall deliver to the organization
2 representing thoroughbred breeders and owners whose
3 representative serves on the Illinois Thoroughbred Breeders
4 Fund Advisory Board a listing of all the Illinois foaled and
5 the Illinois conceived and foaled horses which won breeders'
6 awards and the amount of such breeders' awards under this
7 subsection to verify accuracy of payments and assure proper
8 distribution of breeders' awards in accordance with the
9 provisions of this Act. Such payments shall be delivered by the
10 organization licensee within 30 days of the end of each race
11 meeting.

12 (j) A sum equal to 17% ~~12 1/2%~~ of the first prize money won
13 in each race limited to Illinois foaled horses or Illinois
14 conceived and foaled horses, or both, shall be paid in the
15 following manner by the organization licensee conducting the
16 horse race meeting, from the organization licensee's share of
17 the money wagered: 15% ~~11 1/2%~~ to the breeders of the horses in
18 each such race which are the official first, second, third and
19 fourth finishers and 2% ~~1%~~ to the organization representing
20 thoroughbred breeders and owners whose representative serves
21 on the Illinois Thoroughbred Breeders Fund Advisory Board for
22 verifying the amounts of breeders' awards earned, assuring
23 their proper distribution in accordance with this Act, and
24 servicing and promoting the Illinois thoroughbred horse racing
25 industry. The organization representing thoroughbred breeders
26 and owners shall cause all expenditures of monies received

1 under this subsection (j) to be audited at least annually by a
2 registered public accountant. The organization shall file
3 copies of each annual audit with the Racing Board, the Clerk of
4 the House of Representatives and the Secretary of the Senate,
5 and shall make copies of each annual audit available to the
6 public upon request and upon payment of the reasonable cost of
7 photocopying the requested number of copies.

8 The 17% ~~11 1/2%~~ paid to the breeders in accordance with
9 this subsection shall be distributed as follows:

10 (1) 60% of such sum shall be paid to the breeder of the
11 horse which finishes in the official first position;

12 (2) 20% of such sum shall be paid to the breeder of the
13 horse which finishes in the official second position;

14 (3) 15% of such sum shall be paid to the breeder of the
15 horse which finishes in the official third position; and

16 (4) 5% of such sum shall be paid to the breeder of the
17 horse which finishes in the official fourth position.

18 Such payments shall not reduce any award to the owners of a
19 horse or reduce the taxes payable under this Act. Upon
20 completion of its racing meet, each organization licensee shall
21 deliver to the organization representing thoroughbred breeders
22 and owners whose representative serves on the Illinois
23 Thoroughbred Breeders Fund Advisory Board a listing of all the
24 Illinois foaled and the Illinois conceived and foaled horses
25 which won breeders' awards and the amount of such breeders'
26 awards in accordance with the provisions of this Act. Such

1 payments shall be delivered by the organization licensee within
2 30 days of the end of each race meeting.

3 (k) The term "breeder", as used herein, means the owner of
4 the mare at the time the foal is dropped. An "Illinois foaled
5 horse" is a foal dropped by a mare which enters this State on
6 or before December 1, in the year in which the horse is bred,
7 provided the mare remains continuously in this State until its
8 foal is born. An "Illinois foaled horse" also means a foal born
9 of a mare in the same year as the mare enters this State on or
10 before March 1, and remains in this State at least 30 days
11 after foaling, is bred back during the season of the foaling to
12 an Illinois Registered Stallion (unless a veterinarian
13 certifies that the mare should not be bred for health reasons),
14 and is not bred to a stallion standing in any other state
15 during the season of foaling. An "Illinois foaled horse" also
16 means a foal born in Illinois of a mare purchased at public
17 auction subsequent to the mare entering this State prior to
18 March 1 ~~February 1~~ of the foaling year providing the mare is
19 owned solely by one or more Illinois residents or an Illinois
20 entity that is entirely owned by one or more Illinois
21 residents.

22 (l) The Department of Agriculture shall, by rule, with the
23 advice and assistance of the Illinois Thoroughbred Breeders
24 Fund Advisory Board:

25 (1) Qualify stallions for Illinois breeding; such
26 stallions to stand for service within the State of Illinois

1 at the time of a foal's conception. Such stallion must not
2 stand for service at any place outside the State of
3 Illinois during the calendar year in which the foal is
4 conceived. The Department of Agriculture may assess and
5 collect an application fee of up to \$500 ~~fees~~ for the
6 registration of each Illinois-eligible stallion ~~stallions~~.
7 All fees collected are to be paid into the Illinois
8 Thoroughbred Breeders Fund and with the advice and
9 assistance of the Illinois Thoroughbred Breeders Fund
10 Advisory Board shall be used for stallion awards.

11 (2) Provide for the registration of Illinois conceived
12 and foaled horses and Illinois foaled horses. No such horse
13 shall compete in the races limited to Illinois conceived
14 and foaled horses or Illinois foaled horses or both unless
15 registered with the Department of Agriculture. The
16 Department of Agriculture may prescribe such forms as are
17 necessary to determine the eligibility of such horses. The
18 Department of Agriculture may assess and collect
19 application fees for the registration of Illinois-eligible
20 foals. All fees collected are to be paid into the Illinois
21 Thoroughbred Breeders Fund. No person shall knowingly
22 prepare or cause preparation of an application for
23 registration of such foals containing false information.

24 (m) The Department of Agriculture, with the advice and
25 assistance of the Illinois Thoroughbred Breeders Fund Advisory
26 Board, shall provide that certain races limited to Illinois

1 conceived and foaled and Illinois foaled horses be stakes races
2 and determine the total amount of stakes and awards to be paid
3 to the owners of the winning horses in such races.

4 In determining the stakes races and the amount of awards
5 for such races, the Department of Agriculture shall consider
6 factors, including but not limited to, the amount of money
7 appropriated for the Illinois Thoroughbred Breeders Fund
8 program, organization licensees' contributions, availability
9 of stakes caliber horses as demonstrated by past performances,
10 whether the race can be coordinated into the proposed racing
11 dates within organization licensees' racing dates, opportunity
12 for colts and fillies and various age groups to race, public
13 wagering on such races, and the previous racing schedule.

14 (n) The Board and the organizational licensee shall notify
15 the Department of the conditions and minimum purses for races
16 limited to Illinois conceived and foaled and Illinois foaled
17 horses conducted for each organizational licensee conducting a
18 thoroughbred racing meeting. The Department of Agriculture
19 with the advice and assistance of the Illinois Thoroughbred
20 Breeders Fund Advisory Board may allocate monies for purse
21 supplements for such races. In determining whether to allocate
22 money and the amount, the Department of Agriculture shall
23 consider factors, including but not limited to, the amount of
24 money appropriated for the Illinois Thoroughbred Breeders Fund
25 program, the number of races that may occur, and the
26 organizational licensee's purse structure.

1 (o) (Blank). ~~In order to improve the breeding quality of~~
2 ~~thoroughbred horses in the State, the General Assembly~~
3 ~~recognizes that existing provisions of this Section to~~
4 ~~encourage such quality breeding need to be revised and~~
5 ~~strengthened. As such, a Thoroughbred Breeder's Program Task~~
6 ~~Force is to be appointed by the Governor by September 1, 1999~~
7 ~~to make recommendations to the General Assembly by no later~~
8 ~~than March 1, 2000. This task force is to be composed of 2~~
9 ~~representatives from the Illinois Thoroughbred Breeders and~~
10 ~~Owners Foundation, 2 from the Illinois Thoroughbred Horsemen's~~
11 ~~Association, 3 from Illinois race tracks operating~~
12 ~~thoroughbred race meets for an average of at least 30 days in~~
13 ~~the past 3 years, the Director of Agriculture, the Executive~~
14 ~~Director of the Racing Board, who shall serve as Chairman.~~

15 (Source: P.A. 91-40, eff. 6-25-99.)

16 (230 ILCS 5/30.5)

17 Sec. 30.5. Illinois Quarter Horse Breeders Fund.

18 (a) The General Assembly declares that it is the policy of
19 this State to encourage the breeding of racing quarter horses
20 in this State and the ownership of such horses by residents of
21 this State in order to provide for sufficient numbers of high
22 quality racing quarter horses in this State and to establish
23 and preserve the agricultural and commercial benefits of such
24 breeding and racing industries to the State of Illinois. It is
25 the intent of the General Assembly to further this policy by

1 the provisions of this Act.

2 (b) There is hereby created a non-appropriated trust
3 ~~special~~ fund in the State Treasury to be known as the Illinois
4 Racing Quarter Horse Breeders Fund. Except as provided in
5 subsection (g) of Section 27 of this Act, 8.5% of all the
6 moneys received by the State as pari-mutuel taxes on quarter
7 horse racing shall be paid into the Illinois Racing Quarter
8 Horse Breeders Fund. The Illinois Racing Quarter Horse Breeders
9 Fund shall not be subject to sweeps, administrative charges, or
10 charge backs, including, but not limited to, those authorized
11 under Section 8h of the State Finance Act, or any other fiscal
12 or budgetary maneuver that would in any way transfer any funds
13 from the Illinois Racing Quarter Horse Breeders Fund into any
14 other fund of the State.

15 (c) The Illinois Racing Quarter Horse Breeders Fund shall
16 be administered by the Department of Agriculture with the
17 advice and assistance of the Advisory Board created in
18 subsection (d) of this Section.

19 (d) The Illinois Racing Quarter Horse Breeders Fund
20 Advisory Board shall consist of the Director of the Department
21 of Agriculture, who shall serve as Chairman; a member of the
22 Illinois Racing Board, designated by it; one representative of
23 the organization licensees conducting pari-mutuel quarter
24 horse racing meetings, recommended by them; 2 representatives
25 of the Illinois Running Quarter Horse Association, recommended
26 by it; and the Superintendent of Fairs and Promotions from the

1 Department of Agriculture. Advisory Board members shall serve
2 for 2 years commencing January 1 of each odd numbered year. If
3 representatives have not been recommended by January 1 of each
4 odd numbered year, the Director of the Department of
5 Agriculture may make an appointment for the organization
6 failing to so recommend a member of the Advisory Board.
7 Advisory Board members shall receive no compensation for their
8 services as members but may be reimbursed for all actual and
9 necessary expenses and disbursements incurred in the execution
10 of their official duties.

11 (e) ~~No moneys shall be expended from the Illinois Racing~~
12 ~~Quarter Horse Breeders Fund except as appropriated by the~~
13 ~~General Assembly.~~ Moneys in ~~appropriated from~~ the Illinois
14 Racing Quarter Horse Breeders Fund shall be expended by the
15 Department of Agriculture, with the advice and assistance of
16 the Illinois Racing Quarter Horse Breeders Fund Advisory Board,
17 for the following purposes only:

18 (1) To provide stakes and awards to be paid to the
19 owners of the winning horses in certain races. This
20 provision is limited to Illinois conceived and foaled
21 horses.

22 (2) To provide an award to the owner or owners of an
23 Illinois conceived and foaled horse that wins a race when
24 pari-mutuel wagering is conducted; providing the race is
25 not restricted to Illinois conceived and foaled horses.

26 (3) To provide purse money for an Illinois stallion

1 stakes program.

2 (4) To provide for purses to be distributed for the
3 running of races during the Illinois State Fair and the
4 DuQuoin State Fair exclusively for quarter horses
5 conceived and foaled in Illinois.

6 (5) To provide for purses to be distributed for the
7 running of races at Illinois county fairs exclusively for
8 quarter horses conceived and foaled in Illinois.

9 (6) To provide for purses to be distributed for running
10 races exclusively for quarter horses conceived and foaled
11 in Illinois at locations in Illinois determined by the
12 Department of Agriculture with advice and consent of the
13 Racing Quarter Horse Breeders Fund Advisory Board.

14 (7) No less than 90% of all moneys appropriated from
15 the Illinois Racing Quarter Horse Breeders Fund shall be
16 expended for the purposes in items (1), (2), (3), (4), and
17 (5) of this subsection (e).

18 (8) To provide for research programs concerning the
19 health, development, and care of racing quarter horses.

20 (9) To provide for dissemination of public information
21 designed to promote the breeding of racing quarter horses
22 in Illinois.

23 (10) To provide for expenses incurred in the
24 administration of the Illinois Racing Quarter Horse
25 Breeders Fund.

26 (f) The Department of Agriculture shall, by rule, with the

1 advice and assistance of the Illinois Racing Quarter Horse
2 Breeders Fund Advisory Board:

3 (1) Qualify stallions for Illinois breeding; such
4 stallions to stand for service within the State of
5 Illinois, at the time of a foal's conception. Such stallion
6 must not stand for service at any place outside the State
7 of Illinois during the calendar year in which the foal is
8 conceived. The Department of Agriculture may assess and
9 collect application fees for the registration of
10 Illinois-eligible stallions. All fees collected are to be
11 paid into the Illinois Racing Quarter Horse Breeders Fund.

12 (2) Provide for the registration of Illinois conceived
13 and foaled horses. No such horse shall compete in the races
14 limited to Illinois conceived and foaled horses unless it
15 is registered with the Department of Agriculture. The
16 Department of Agriculture may prescribe such forms as are
17 necessary to determine the eligibility of such horses. The
18 Department of Agriculture may assess and collect
19 application fees for the registration of Illinois-eligible
20 foals. All fees collected are to be paid into the Illinois
21 Racing Quarter Horse Breeders Fund. No person shall
22 knowingly prepare or cause preparation of an application
23 for registration of such foals that contains false
24 information.

25 (3) Allow 150 days after the effective date of this
26 amendatory Act of the 95th General Assembly to grandfather

1 any quarter horse conceived and foaled in Illinois into the
2 Illinois Racing Quarter Horse Breeders Fund Program of the
3 Illinois Department of Agriculture.

4 (g) The Department of Agriculture, with the advice and
5 assistance of the Illinois Racing Quarter Horse Breeders Fund
6 Advisory Board, shall provide that certain races limited to
7 Illinois conceived and foaled be stakes races and determine the
8 total amount of stakes and awards to be paid to the owners of
9 the winning horses in such races.

10 (Source: P.A. 91-40, eff. 6-25-99.)

11 (230 ILCS 5/31) (from Ch. 8, par. 37-31)

12 Sec. 31. (a) The General Assembly declares that it is the
13 policy of this State to encourage the breeding of standardbred
14 horses in this State and the ownership of such horses by
15 residents of this State in order to provide for: sufficient
16 numbers of high quality standardbred horses to participate in
17 harness racing meetings in this State, and to establish and
18 preserve the agricultural and commercial benefits of such
19 breeding and racing industries to the State of Illinois. It is
20 the intent of the General Assembly to further this policy by
21 the provisions of this Section of this Act.

22 (b) Each organization licensee conducting a harness racing
23 meeting pursuant to this Act shall provide for at least two
24 races each race program limited to Illinois conceived and
25 foaled horses. A minimum of 6 races shall be conducted each

1 week limited to Illinois conceived and foaled horses. No horses
2 shall be permitted to start in such races unless duly
3 registered under the rules of the Department of Agriculture.

4 (b-5) Each organization licensee conducting a harness
5 racing meeting pursuant to this Act shall provide stakes races
6 and early closer races for Illinois conceived and foaled horses
7 so the total purses distributed for such races shall be no less
8 than an amount equal to (i) the total of the horsemen's
9 payments and entry fees, plus (ii) 17% of the total purses
10 distributed at the meeting.

11 (b-10) Each organization licensee conducting a harness
12 racing meeting pursuant to this Act shall provide an owner
13 award to be paid from the purse account equal to 25% of the
14 amount earned by Illinois conceived and foaled horses in races
15 that are not restricted to Illinois conceived and foaled
16 horses.

17 (c) Conditions of races under subsection (b) shall be
18 commensurate with past performance, quality and class of
19 Illinois conceived and foaled horses available. If, however,
20 sufficient competition cannot be had among horses of that class
21 on any day, the races may, with consent of the Board, be
22 eliminated for that day and substitute races provided.

23 (d) There is hereby created a non-appropriated trust
24 ~~special~~ fund of the State Treasury to be known as the Illinois
25 Standardbred Breeders Fund. The Illinois Standardbred Breeders
26 Fund shall not be subject to sweeps, administrative charges, or

1 charge backs, including, but not limited to, those authorized
2 under Section 8h of the State Finance Act, or any other fiscal
3 or budgetary maneuver that would in any way transfer any funds
4 from the Illinois Standardbred Breeders Fund into any other
5 fund of the State.

6 During the calendar year 1981, and each year thereafter,
7 except as provided in subsection (g) of Section 27 of this Act,
8 eight and one-half per cent of all the monies received by the
9 State as privilege taxes on harness racing meetings shall be
10 paid into the Illinois Standardbred Breeders Fund.

11 (e) The Illinois Standardbred Breeders Fund shall be
12 administered by the Department of Agriculture with the
13 assistance and advice of the Advisory Board created in
14 subsection (f) of this Section.

15 (f) The Illinois Standardbred Breeders Fund Advisory Board
16 is hereby created. The Advisory Board shall consist of the
17 Director of the Department of Agriculture, who shall serve as
18 Chairman; the Superintendent of the Illinois State Fair; a
19 member of the Illinois Racing Board, designated by it; a
20 representative of the Illinois Standardbred Owners and
21 Breeders Association, recommended by it; a representative of
22 the Illinois Association of Agricultural Fairs, recommended by
23 it, such representative to be from a fair at which Illinois
24 conceived and foaled racing is conducted; a representative of
25 the organization licensees conducting harness racing meetings,
26 recommended by them and a representative of the Illinois

1 Harness Horsemen's Association, recommended by it. Advisory
2 Board members shall serve for 2 years commencing January 1, of
3 each odd numbered year. If representatives of the Illinois
4 Standardbred Owners and Breeders Associations, the Illinois
5 Association of Agricultural Fairs, the Illinois Harness
6 Horsemen's Association, and the organization licensees
7 conducting harness racing meetings have not been recommended by
8 January 1, of each odd numbered year, the Director of the
9 Department of Agriculture shall make an appointment for the
10 organization failing to so recommend a member of the Advisory
11 Board. Advisory Board members shall receive no compensation for
12 their services as members but shall be reimbursed for all
13 actual and necessary expenses and disbursements incurred in the
14 execution of their official duties.

15 (g) ~~No monies shall be expended from the Illinois~~
16 ~~Standardbred Breeders Fund except as appropriated by the~~
17 ~~General Assembly.~~ Monies in ~~appropriated from~~ the Illinois
18 Standardbred Breeders Fund shall be expended by the Department
19 of Agriculture, with the assistance and advice of the Illinois
20 Standardbred Breeders Fund Advisory Board for the following
21 purposes only:

22 1. To provide purses for races limited to Illinois
23 conceived and foaled horses at the State Fair and the
24 DuQuoin State Fair.

25 2. To provide purses for races limited to Illinois
26 conceived and foaled horses at county fairs.

1 3. To provide purse supplements for races limited to
2 Illinois conceived and foaled horses conducted by
3 associations conducting harness racing meetings.

4 4. No less than 75% of all monies in the Illinois
5 Standardbred Breeders Fund shall be expended for purses in
6 1, 2 and 3 as shown above.

7 4.5. To provide for bonus programs to pay owners of
8 horses that win multiple stake races that are restricted to
9 Illinois conceived and foaled horses.

10 5. In the discretion of the Department of Agriculture
11 to provide awards to harness breeders of Illinois conceived
12 and foaled horses which win races conducted by organization
13 licensees conducting harness racing meetings. A breeder is
14 the owner of a mare at the time of conception. No more than
15 10% of all monies appropriated from the Illinois
16 Standardbred Breeders Fund shall be expended for such
17 harness breeders awards. No more than 25% of the amount
18 expended for harness breeders awards shall be expended for
19 expenses incurred in the administration of such harness
20 breeders awards.

21 6. To pay for the improvement of racing facilities
22 located at the State Fair and County fairs.

23 7. To pay the expenses incurred in the administration
24 of the Illinois Standardbred Breeders Fund.

25 8. To promote the sport of harness racing, including
26 grants up to a maximum of \$7,500 per fair per year for the

1 cost of a totalizator system to be used for conducting
2 pari-mutuel wagering during the advertised dates of a
3 county fair.

4 (h) Whenever the Governor finds that the amount in the
5 Illinois Standardbred Breeders Fund is more than the total of
6 the outstanding appropriations from such fund, the Governor
7 shall notify the State Comptroller and the State Treasurer of
8 such fact. The Comptroller and the State Treasurer, upon
9 receipt of such notification, shall transfer such excess amount
10 from the Illinois Standardbred Breeders Fund to the General
11 Revenue Fund.

12 (i) A sum equal to 12 1/2% of the first prize money of the
13 gross ~~every~~ purse won by an Illinois conceived and foaled horse
14 shall be paid by the organization licensee conducting the horse
15 race meeting to the breeder of such winning horse from the
16 organization licensee's account ~~share of the money wagered~~.
17 Such payment shall not reduce any award to the owner of the
18 horse or reduce the taxes payable under this Act. Such payment
19 shall be delivered by the organization licensee at the end of
20 each month ~~race meeting~~.

21 (j) The Department of Agriculture shall, by rule, with the
22 assistance and advice of the Illinois Standardbred Breeders
23 Fund Advisory Board:

24 1. Qualify stallions for Illinois Standardbred Breeders
25 Fund breeding; such stallion shall be owned by a resident of
26 the State of Illinois or by an Illinois corporation all of

1 whose shareholders, directors, officers and incorporators are
2 residents of the State of Illinois. Such stallion shall stand
3 for service at and within the State of Illinois at the time of
4 a foal's conception, and such stallion must not stand for
5 service at any place, ~~nor may semen from such stallion be~~
6 ~~transported,~~ outside the State of Illinois during that calendar
7 year in which the foal is conceived and that the owner of the
8 stallion was for the 12 months prior, a resident of Illinois.
9 The articles of agreement of any partnership, joint venture,
10 limited partnership, syndicate, association or corporation and
11 any bylaws and stock certificates must contain a restriction
12 that provides that the ownership or transfer of interest by any
13 one of the persons a party to the agreement can only be made to
14 a person who qualifies as an Illinois resident. Foals conceived
15 outside the State of Illinois from shipped semen from a
16 stallion qualified for breeders' awards under this Section are
17 not eligible to participate in the Illinois conceived and
18 foaled program.

19 2. Provide for the registration of Illinois conceived and
20 foaled horses and no such horse shall compete in the races
21 limited to Illinois conceived and foaled horses unless
22 registered with the Department of Agriculture. The Department
23 of Agriculture may prescribe such forms as may be necessary to
24 determine the eligibility of such horses. No person shall
25 knowingly prepare or cause preparation of an application for
26 registration of such foals containing false information. A mare

1 (dam) must be in the state at least 30 days prior to foaling or
2 remain in the State at least 30 days at the time of foaling.
3 Beginning with the 1996 breeding season and for foals of 1997
4 and thereafter, a foal conceived in the State of Illinois by
5 transported fresh semen may be eligible for Illinois conceived
6 and foaled registration provided all breeding and foaling
7 requirements are met. The stallion must be qualified for
8 Illinois Standardbred Breeders Fund breeding at the time of
9 conception and the mare must be inseminated within the State of
10 Illinois. The foal must be dropped in Illinois and properly
11 registered with the Department of Agriculture in accordance
12 with this Act.

13 3. Provide that at least a 5 day racing program shall be
14 conducted at the State Fair each year, which program shall
15 include at least the following races limited to Illinois
16 conceived and foaled horses: (a) a two year old Trot and Pace,
17 and Filly Division of each; (b) a three year old Trot and Pace,
18 and Filly Division of each; (c) an aged Trot and Pace, and Mare
19 Division of each.

20 4. Provide for the payment of nominating, sustaining and
21 starting fees for races promoting the sport of harness racing
22 and for the races to be conducted at the State Fair as provided
23 in subsection (j) 3 of this Section provided that the
24 nominating, sustaining and starting payment required from an
25 entrant shall not exceed 2% of the purse of such race. All
26 nominating, sustaining and starting payments shall be held for

1 the benefit of entrants and shall be paid out as part of the
2 respective purses for such races. Nominating, sustaining and
3 starting fees shall be held in trust accounts for the purposes
4 as set forth in this Act and in accordance with Section 205-15
5 of the Department of Agriculture Law (20 ILCS 205/205-15).

6 5. Provide for the registration with the Department of
7 Agriculture of Colt Associations or county fairs desiring to
8 sponsor races at county fairs.

9 (k) The Department of Agriculture, with the advice and
10 assistance of the Illinois Standardbred Breeders Fund Advisory
11 Board, may allocate monies for purse supplements for such
12 races. In determining whether to allocate money and the amount,
13 the Department of Agriculture shall consider factors,
14 including but not limited to, the amount of money appropriated
15 for the Illinois Standardbred Breeders Fund program, the number
16 of races that may occur, and an organizational licensee's purse
17 structure. The organizational licensee shall notify the
18 Department of Agriculture of the conditions and minimum purses
19 for races limited to Illinois conceived and foaled horses to be
20 conducted by each organizational licensee conducting a harness
21 racing meeting for which purse supplements have been
22 negotiated.

23 (l) All races held at county fairs and the State Fair which
24 receive funds from the Illinois Standardbred Breeders Fund
25 shall be conducted in accordance with the rules of the United
26 States Trotting Association unless otherwise modified by the

1 Department of Agriculture.

2 (m) At all standardbred race meetings held or conducted
3 under authority of a license granted by the Board, and at all
4 standardbred races held at county fairs which are approved by
5 the Department of Agriculture or at the Illinois or DuQuoin
6 State Fairs, no one shall jog, train, warm up or drive a
7 standardbred horse unless he or she is wearing a protective
8 safety helmet, with the chin strap fastened and in place, which
9 meets the standards and requirements as set forth in the 1984
10 Standard for Protective Headgear for Use in Harness Racing and
11 Other Equestrian Sports published by the Snell Memorial
12 Foundation, or any standards and requirements for headgear the
13 Illinois Racing Board may approve. Any other standards and
14 requirements so approved by the Board shall equal or exceed
15 those published by the Snell Memorial Foundation. Any
16 equestrian helmet bearing the Snell label shall be deemed to
17 have met those standards and requirements.

18 (Source: P.A. 91-239, eff. 1-1-00.)

19 (230 ILCS 5/31.2 new)

20 Sec. 31.2. Racing Industry Workers' Trust Fund; advisory
21 board.

22 (a) The General Assembly finds that backstretch workers
23 play a critical role in the success and prosperity of the
24 racing industry. The General Assembly finds that there is a
25 need to improve the quality and viability of live racing in

1 Illinois by providing new resources to increase purse sizes and
2 to improve race track facilities. The General Assembly finds
3 that there is a concomitant responsibility and duty to address
4 the human service and housing needs of backstretch workers.

5 (b) There is hereby created a non-appropriated trust fund
6 to be known as the Racing Industry Workers' Trust Fund, which
7 is administered by the Board and held separate and apart from
8 State moneys. The Fund shall consist of moneys paid into it
9 under subsection (b) of Section 56 of this Act.

10 (c) The Board is authorized to use funds in the Racing
11 Industry Workers' Trust Fund to fund programs and initiatives
12 that improve the quality of life of backstretch workers.
13 Initiatives funded by the Board shall address needs such as
14 illiteracy, substance dependence, primary health care, child
15 care, housing, and any other social service need determined by
16 the Board.

17 (d) On December 31st of each year the Board shall report to
18 the General Assembly and the Governor on the programs funded by
19 the Board during the preceding fiscal year, the number of
20 persons served, and the working and living conditions of
21 backstretch workers.

22 (e) The Board shall appoint a Backstretch Programs Advisory
23 Board, who shall report to and advise the Board on matters
24 concerning backstretch conditions and needs. The Backstretch
25 Programs Advisory Board shall consist of the following 7
26 members:

1 (1) 2 persons who represent the interests of an
2 organization licensee;

3 (2) one person who represents the interests of
4 standardbred horsemen;

5 (3) one person who represents the interests of
6 thoroughbred horsemen;

7 (4) one person who is or was a backstretch worker;

8 (5) one person who advocates on behalf of backstretch
9 workers; and

10 (6) one person who has significant experience in
11 administering social services.

12 (f) The Board shall hire, in its sole discretion, a
13 backstretch workers' Program Coordinator who shall serve under
14 the direction of the Board to supervise and coordinate the
15 programs funded by the Racing Industry Workers' Trust Fund. The
16 Program Coordinator shall be paid from the Racing Industry
17 Workers' Trust Fund.

18 (230 ILCS 5/31.3 new)

19 Sec. 31.3. Illinois Equine Research Trust Fund. There is
20 created a non-appropriated trust fund to be known as the
21 Illinois Equine Research Trust Fund, which is administered by
22 the Department of Agriculture and held separate and apart from
23 State moneys. The Fund shall consist of moneys paid into it
24 under subsection (b) of Section 56 of this Act. The Department
25 may use funds in the Illinois Equine Research Trust Fund to

1 award 2 equal grants to the University of Illinois and to
2 Southern Illinois University for equine research. The total
3 amount of each grant award shall be used for only the direct
4 costs of research.

5 The Illinois Equine Research Trust Fund shall not be
6 subject to sweeps, administrative charges, or charge backs,
7 including, but not limited to, those authorized under Section
8 8h of the State Finance Act, or any other fiscal or budgetary
9 maneuver that would in any way transfer any funds from the
10 Illinois Equine Research Trust Fund into any other fund of the
11 State.

12 (230 ILCS 5/34.3 new)

13 Sec. 34.3. Drug testing. The Illinois Racing Board and the
14 Department of Agriculture shall jointly establish a program for
15 the purpose of conducting random drug testing of horses at
16 county fairs and shall adopt any rules necessary for
17 enforcement of the program. The rules shall include appropriate
18 penalties for violations.

19 (230 ILCS 5/36) (from Ch. 8, par. 37-36)

20 Sec. 36. (a) Whoever administers or conspires to administer
21 to any horse a hypnotic, narcotic, stimulant, depressant or any
22 chemical substance which may affect the speed of a horse at any
23 time in any race where the purse or any part of the purse is
24 made of money authorized by any Section of this Act, except

1 those chemical substances permitted by ruling of the Board,
2 internally, externally or by hypodermic method in a race or
3 prior thereto, or whoever knowingly enters a horse in any race
4 within a period of 24 hours after any hypnotic, narcotic,
5 stimulant, depressant or any other chemical substance which may
6 affect the speed of a horse at any time, except those chemical
7 substances permitted by ruling of the Board, has been
8 administered to such horse either internally or externally or
9 by hypodermic method for the purpose of increasing or retarding
10 the speed of such horse shall be guilty of a Class 4 felony.
11 The Board shall suspend or revoke such violator's license.

12 (b) The term "hypnotic" as used in this Section includes
13 all barbituric acid preparations and derivatives.

14 (c) The term "narcotic" as used in this Section includes
15 opium and all its alkaloids, salts, preparations and
16 derivatives, cocaine and all its salts, preparations and
17 derivatives and substitutes.

18 (d) The provisions of this Section 36 and the treatment
19 authorized herein apply to horses entered in and competing in
20 race meetings as defined in Section 3.47 of this Act and to
21 horses entered in and competing at any county fair.

22 (e) Drug testing for horses entered in and competing at any
23 county fair shall be conducted by the Department of
24 Agriculture, with the advice and assistance of the Board. The
25 Department of Agriculture, with the assistance of the Board,
26 shall adopt rules for drug testing, for horses entered in and

1 competing at any county fair.

2 (Source: P.A. 79-1185.)

3 (230 ILCS 5/42) (from Ch. 8, par. 37-42)

4 Sec. 42. (a) Except as to the distribution of monies
5 provided for by Sections 28, 29, 30, and 31 and the treating of
6 horses as provided in Section 36, nothing whatsoever in this
7 Act shall be held or taken to apply to county fairs and State
8 Fairs or to agricultural and livestock exhibitions where the
9 pari-mutuel system of wagering upon the result of horses is not
10 permitted or conducted.

11 (b) Nothing herein shall be construed to permit the
12 pari-mutuel method of wagering upon any race track unless such
13 race track is licensed under this Act. It is hereby declared to
14 be unlawful for any person to permit, conduct or supervise upon
15 any race track ground the pari-mutuel method of wagering except
16 in accordance with the provisions of this Act.

17 (c) Whoever violates subsection (b) of this Section is
18 guilty of a Class 4 felony.

19 (Source: P.A. 89-16, eff. 5-30-95.)

20 (230 ILCS 5/45) (from Ch. 8, par. 37-45)

21 Sec. 45. It shall be the duty of the Attorney General and
22 the various State's attorneys in this State in cooperation with
23 the Office of Gaming Enforcement ~~Department of State Police~~ to
24 enforce this Act. The Director of Gaming Enforcement ~~Governor~~

1 may, upon request of the Board ~~Department of State Police~~,
2 order the law enforcing officers of the various cities and
3 counties to assign a sufficient number of deputies to aid
4 ~~members of the Department of State Police~~ in preventing horse
5 racing at any track within the respective jurisdiction of such
6 cities or counties an organization license for which has been
7 refused, suspended or revoked by the Board. The Director of
8 Gaming Enforcement ~~Governor~~ may ~~similarly~~ assign ~~such~~ deputies
9 to aid the local law enforcement ~~Department of State Police~~
10 when, by his determination, additional forces are needed to
11 preserve the health, welfare or safety of any person or animal
12 within the grounds of any race track in the State.

13 (Source: P.A. 84-25.)

14 (230 ILCS 5/56 new)

15 Sec. 56. Electronic gaming.

16 (a) An organization licensee may apply to the Gaming Board
17 for an electronic gaming license pursuant to Section 7.7 of the
18 Illinois Gambling Act. An electronic gaming licensee may not
19 permit persons under 21 years of age to be present in its
20 electronic gaming facility, but the licensee may accept wagers
21 on live racing and inter-track wagers at its electronic gaming
22 facility.

23 (a-5) An amount equal to 15% of the total adjusted gross
24 receipts received by an electronic gaming licensee from
25 electronic gaming shall be paid to purse accounts.

1 Moneys paid into purse equity accounts by licensees at
2 tracks located in counties other than Madison County shall be
3 maintained separately from moneys paid into purse equity
4 accounts by a licensee at a track located in Madison County.

5 Of the moneys paid to purse equity accounts by an
6 electronic gaming licensee located in a county other than
7 Madison County, 57% of the moneys shall be paid into a single
8 thoroughbred purse pool and 43% of the moneys shall be paid
9 into a single standardbred purse pool. Each calendar year,
10 moneys in the thoroughbred purse pool shall be distributed
11 equally for each awarded racing date to the thoroughbred purse
12 accounts of each organization licensee that paid money into the
13 thoroughbred purse pool. Each calendar year, moneys in the
14 standardbred purse pool shall be distributed equally for each
15 awarded racing date to the standardbred purse accounts of each
16 organization licensee that paid money into the standardbred
17 purse pool.

18 Of the moneys paid into purse equity accounts by an
19 electronic gaming licensee located in Madison County, 70% shall
20 be paid to its thoroughbred purse account and 30% shall be paid
21 to its standardbred purse account.

22 (b) After payment required under subsection (a-5) of this
23 Section and Section 13 of the Illinois Gambling Act, the
24 adjusted gross receipts received by all electronic gaming
25 licensees from electronic gaming shall be distributed as
26 follows:

1 (1) a total of \$4,100,000 annually shall be paid to the
2 Illinois Colt Stakes Purse Distribution Fund;

3 (2) a total of \$250,000 annually shall be paid to the
4 Illinois Racing Quarter Horse Breeders Fund;

5 (3) a total of \$500,000 annually shall be paid to the
6 Illinois Equine Research Trust Fund;

7 (4) a total of \$1,000,000 annually shall be paid to the
8 Racing Industry Workers' Trust Fund;

9 (5) an amount equal to 2.25% of adjusted gross receipts
10 from each electronic gaming licensee shall be paid to the
11 Illinois Thoroughbred Breeders Fund and the Illinois
12 Standardbred Breeders Fund, divided pro rata based on the
13 proportion of live thoroughbred racing and live
14 standardbred racing conducted at that licensee's race
15 track; and

16 (6) an amount equal to 0.25% of adjusted gross receipts
17 from each electronic gaming licensee shall be paid to the
18 licensee's live racing and horse ownership promotional
19 account; and

20 (7) the remainder shall be retained by the licensee.

21 (c) The moneys collected pursuant to items (1), (2), (3),
22 and (4) of subsection (b) of this Section is payable by the
23 licensees on a pro-rated basis, based on each licensee's
24 adjusted gross receipts. The Illinois Gaming Board shall
25 provide the Illinois Racing Board with the information needed
26 to make this determination. The Illinois Racing Board shall

1 adopt rules for the administration of this Section.

2 (d) Moneys distributed under this subsection (b) shall be
3 distributed as directed by the Board.

4 (e) As a condition of licensure, an electronic gaming
5 licensee must expend an amount equal to the sum of (i) amounts
6 expended in 2007; (ii) the amounts required in item (6) of
7 subsection (b) of this Section; and (iii) the amount of
8 pari-mutuel tax credit received under Section 32.1 of this Act
9 for the purpose of live racing and horse ownership promotion.
10 The Board shall adopt rules to enforce this subsection (e),
11 including reasonable fines and penalties for noncompliance.

12 (230 ILCS 5/57 new)

13 Sec. 57. Compliance report.

14 (a) The Board shall prepare a report once every 2 years
15 regarding the compliance of each electronic gaming licensee
16 with this Act and the electronic gaming licensee's support of
17 live racing. The Board shall determine whether each electronic
18 gaming licensee has maintained an appropriate level of live
19 horse racing. In making that determination, the Board shall
20 consider all of the following factors:

21 (1) The increase, if any, in the on-track handle at the
22 race track where the electronic gaming facility is located.

23 (2) The increase, if any, in purses at the racing
24 facility where electronic gaming facility is located.

25 (3) Investments in capital improvements made by the

1 organization licensee to the racing facility, excluding
2 electronic gaming areas.

3 (b) If the Board finds that a licensee has failed to comply
4 with this Act or has substantially failed to support live
5 racing, then the Board may do any of the following:

6 (1) Issue a warning to the organization licensee.

7 (2) Impose a civil penalty upon the organization
8 licensee.

9 (3) Suspend or revoke the organization license.

10 Section 90-40. The Riverboat Gambling Act is amended by
11 changing Sections 1, 2, 3, 4, 5, 5.1, 6, 7, 7.3, 7.4, 7.5, 8, 9,
12 11, 11.1, 11.2, 12, 13, 14, 17, 18, 19, and 20 and by adding
13 Sections 5.2, 5.3, 5.4, 5.5, 5.7, 7.6, 7.7, 7.8, 7.10, 7.11,
14 7.11a, 7.12, 7.14, 7.15, 7.25, 7.30, 9.3, 9.5, 12.1, 13.2,
15 14.5, 17.2, 22.5, and 22.6 as follows:

16 (230 ILCS 10/1) (from Ch. 120, par. 2401)

17 Sec. 1. Short title. This Act shall be known and may be
18 cited as the Illinois Riverboat Gambling Act.

19 (Source: P.A. 86-1029.)

20 (230 ILCS 10/2) (from Ch. 120, par. 2402)

21 Sec. 2. Legislative intent; findings ~~Intent~~.

22 (a) This Act is intended to benefit the people of the State
23 of Illinois by assisting economic development and promoting

1 Illinois tourism and by increasing the amount of revenues
2 available to the State for infrastructure and capital programs
3 and to assist and support education.

4 (b) While authorization of riverboat gambling will enhance
5 investment, development and tourism in Illinois, it is
6 recognized that it will do so successfully only if public
7 confidence and trust in the credibility and integrity of the
8 gambling operations and the regulatory process is maintained.
9 Therefore, regulatory provisions of this Act are designed to
10 strictly regulate the facilities, persons, associations and
11 practices related to gambling operations pursuant to the police
12 powers of the State, including comprehensive law enforcement
13 supervision.

14 (c) The Illinois Gaming Board established under this Act
15 should, as soon as possible, inform each applicant for an
16 owners license of the Board's intent to grant or deny a
17 license.

18 (d) The General Assembly finds that the Illinois gaming
19 industry does not include a fair proportion of minority and
20 female ownership participation in the gaming industry. It is
21 vital to the gaming industry in this State to promote diverse
22 interests in order to create social and economic parity. As a
23 result of historical exclusion within the gaming industry,
24 there is a need to increase the number of minority and female
25 owners within the State. The State shall require that at least
26 20% of an owners licensee's or casino licensee's equity

1 interest be awarded to minorities and at least 5% of an owners
2 licensee's or casino licensee's equity interest be awarded to
3 women for all licenses awarded after the effective date of this
4 amendatory Act of the 95th General Assembly.

5 (Source: P.A. 93-28, eff. 6-20-03.)

6 (230 ILCS 10/3) (from Ch. 120, par. 2403)

7 Sec. 3. ~~Riverboat~~ Gambling Authorized.

8 (a) Riverboat gambling operations, casino gambling
9 operations, and electronic gaming operations ~~and the system of~~
10 ~~wagering incorporated therein~~, as defined in this Act, are
11 hereby authorized to the extent that they are carried out in
12 accordance with the provisions of this Act.

13 (b) This Act does not apply to the pari-mutuel system of
14 wagering or to advance deposit wagering used or intended to be
15 used in connection with the horse-race meetings as authorized
16 under the Illinois Horse Racing Act of 1975, lottery games
17 authorized under the Illinois Lottery Law, bingo authorized
18 under the Bingo License and Tax Act, charitable games
19 authorized under the Charitable Games Act or pull tabs and jar
20 games conducted under the Illinois Pull Tabs and Jar Games Act.

21 (c) Riverboat gambling conducted pursuant to this Act may
22 be authorized upon any water within the State of Illinois or
23 any water other than Lake Michigan which constitutes a boundary
24 of the State of Illinois. A casino licensee shall not conduct
25 gaming upon any water or lakefront within the City of Chicago.

1 Notwithstanding any provision in this subsection (c) to the
2 contrary, a licensee may conduct gambling at its home dock
3 facility as provided in Sections 7 and 11. A licensee may
4 conduct riverboat gambling authorized under this Act
5 regardless of whether it conducts excursion cruises. A licensee
6 may permit the continuous ingress and egress of passengers for
7 the purpose of gambling.

8 (d) Gambling that is conducted in accordance with this Act
9 using slot machines, video games of chance, and electronic
10 gambling games shall be authorized at electronic gaming
11 facilities as provided in this Act.

12 (Source: P.A. 91-40, eff. 6-25-99.)

13 (230 ILCS 10/4) (from Ch. 120, par. 2404)

14 Sec. 4. Definitions. As used in this Act:

15 "Authority" means the Chicago Casino Development
16 Authority.

17 "State Authority" means the Illinois Casino Development
18 Authority.

19 ~~(a)~~ "Board" means the Illinois Gaming Board.

20 ~~(b)~~ "Occupational license" means a license issued by the
21 Board to a person or entity to perform an occupation which the
22 Board has identified as requiring a license to engage in
23 ~~riverboat~~ gambling in Illinois.

24 ~~(c)~~ "Gambling game" includes, but is not limited to,
25 baccarat, twenty-one, poker, craps, slot machine, video game of

1 chance, roulette wheel, klondike table, punchboard, faro
2 layout, keno layout, numbers ticket, push card, jar ticket, or
3 pull tab which is authorized by the Board as a wagering device
4 under this Act.

5 ~~(d)~~ "Riverboat" means a self-propelled excursion boat, a
6 permanently moored barge, or permanently moored barges that are
7 permanently fixed together to operate as one vessel, on which
8 lawful gambling is authorized and licensed as provided in this
9 Act.

10 ~~(e)~~ "Managers license" means a license issued by the Board
11 to a person or entity to manage gambling operations conducted
12 by the State pursuant to Section 7.3.

13 ~~(f)~~ "Dock" means the location where a riverboat moors for
14 the purpose of embarking passengers for and disembarking
15 passengers from the riverboat.

16 ~~(g)~~ "Gross receipts" means the total amount of cash or any
17 instrument exchangeable for cash ~~money~~ exchanged for the
18 purchase of chips, tokens or electronic cards by ~~riverboat~~
19 patrons on a riverboat, in a casino, or at an electronic gaming
20 facility. "Gross receipts" includes revenues derived by the
21 gaming licensee from the conduct of electronic poker.

22 ~~(h)~~ "Adjusted gross receipts" means the gross receipts less
23 winnings paid to wagerers.

24 ~~(i)~~ "Cheat" means to alter the selection of criteria which
25 determine the result of a gambling game or electronic poker
26 outcome or the amount or frequency of payment in a gambling

1 game or electronic poker.

2 ~~(j) "Department" means the Department of Revenue.~~

3 ~~(k) "Gambling operation" means the conduct of authorized~~
4 ~~gambling games and electronic poker authorized under this Act~~
5 ~~on upon a riverboat, in a casino, or at an electronic gaming~~
6 ~~facility as authorized under this Act.~~

7 ~~(l) "License bid" means the lump sum amount of money that~~
8 ~~an applicant bids and agrees to pay the State in return for an~~
9 ~~owners license that is re-issued on or after July 1, 2003.~~

10 ~~(m) The terms "minority person" and "female" shall have the~~
11 ~~same meaning as defined in Section 2 of the Business Enterprise~~
12 ~~for Minorities, Females, and Persons with Disabilities Act.~~

13 "Casino" means a land-based facility at which lawful
14 gambling is authorized and licensed as provided in this Act.

15 "Owners license" means a license to conduct riverboat
16 gambling operations, but does not include a casino license or
17 an electronic gaming license.

18 "Electronic gaming license" means a license issued by the
19 Board under Section 7.7 of this Act authorizing electronic
20 gaming at an electronic gaming facility.

21 "Electronic gaming" means the conduct of gambling using
22 slot machines, video games of chance, and electronic gambling
23 games at a race track licensed under the Illinois Horse Racing
24 Act of 1975 pursuant to the Illinois Horse Racing Act of 1975
25 and this Act.

26 "Electronic gaming facility" means the area where the Board

1 has authorized electronic gaming at a race track of an
2 organization licensee under the Illinois Horse Racing Act of
3 1975 that holds an electronic gaming license.

4 "Organization license" means a license issued by the
5 Illinois Racing Board authorizing the conduct of pari-mutuel
6 wagering in accordance with the Illinois Horse Racing Act of
7 1975.

8 "Gaming license" includes an owners license, a casino
9 license, an electronic gaming license, a managers license, and
10 a casino operator license.

11 "Licensed facility" means a riverboat, a casino, or an
12 electronic gaming facility.

13 "Electronic poker" means a form of gambling operation by
14 which players can play poker electronically via a network of
15 machines at the same or any other licensed facility in this
16 State. "Electronic poker" is not considered a gambling game as
17 defined by this Act.

18 "Casino license" means a license held to conduct or cause
19 to be conducted gambling operations at a casino.

20 "Casino operator license" means a license held by a person
21 or entity selected to manage and operate a casino pursuant to a
22 casino management contract.

23 "License" includes all licenses authorized under this Act,
24 including a gaming license, an occupational license, and
25 suppliers license.

26 "State casino license" means the license held by the State

1 Authority to conduct or cause to be conducted gambling
2 operations at a casino pursuant to this Act and the Illinois
3 Casino Development Authority Act.

4 "State casino operator license" means the license held by
5 the person or entity selected by the State Authority to manage
6 and operate a casino within the State pursuant to a casino
7 management contract, as provided for under the Illinois Casino
8 Development Authority Act.

9 (Source: P.A. 95-331, eff. 8-21-07.)

10 (230 ILCS 10/5) (from Ch. 120, par. 2405)

11 Sec. 5. Gaming Board.

12 (a) (1) There is hereby established the ~~within the~~
13 ~~Department of Revenue an~~ Illinois Gaming Board, which shall
14 have the powers and duties specified in this Act, and all other
15 powers necessary and proper to fully and effectively execute
16 this Act for the purpose of administering and, ~~regulating, and~~
17 ~~enforcing~~ the system of ~~riverboat~~ gambling established by this
18 Act. Its jurisdiction shall extend under this Act to every
19 person, association, corporation, partnership and trust
20 involved in ~~riverboat~~ gambling operations in the State of
21 Illinois.

22 (2) The Board shall consist of 5 members to be appointed by
23 the Governor with the advice and consent of the Senate, one of
24 whom shall be designated by the Governor to be chairperson
25 ~~chairman~~. Each member shall have a reasonable knowledge of the

1 practice, procedure and principles of gambling operations.
2 Each member shall either be a resident of Illinois or shall
3 certify that he or she will become a resident of Illinois
4 before taking office. The term of office of each member of the
5 Board serving on the effective date of this amendatory Act of
6 the 95th General Assembly ends when all of their successors are
7 appointed and qualified pursuant to this amendatory Act of the
8 95th General Assembly. Members appointed pursuant to this
9 amendatory Act of the 95th General Assembly and their
10 successors shall serve on a full-time basis and may not hold
11 any other employment for which they are compensated.

12 Beginning on the effective date of this amendatory Act of
13 the 95th General Assembly, the Board shall consist of 5 members
14 appointed by the Governor from nominations presented to the
15 Governor by the Nomination Panel and with the advice and
16 consent of the Senate. The Board must include the following:

17 (1) One member must have, at a minimum, a bachelor's
18 degree from an accredited school and at least 10 years of
19 verifiable training and experience in the fields of
20 investigation and law enforcement.

21 (2) One member must be a certified public accountant
22 with experience in auditing and with knowledge of complex
23 corporate structures and transactions.

24 (3) Two members must have 5 years' experience as a
25 principal, senior officer, or director of a company or
26 business with either material responsibility for the daily

1 operations and management of the overall company or
2 business or material responsibility for the policy making
3 of the company or business.

4 (4) One member must be a former judge elected or
5 appointed to judicial office in Illinois or former federal
6 judge appointed to serve in Illinois.

7 No more than 3 members of the Board may be from the same
8 political party. No more than 3 members may reside within Cook,
9 Will, Lake, DuPage, or Kane County. The Board should reflect
10 the ethnic, cultural, and geographic diversity of the State.
11 Each member shall have a reasonable knowledge of the practice,
12 procedures, and principles of gambling operations. No Board
13 member, within a period of 2 years immediately preceding
14 nomination, shall have been employed or received compensation
15 or fees for services from a person or entity, or its parent or
16 affiliate, that has engaged in business with the Board, a
17 licensee, or a licensee under the Horse Racing Act of 1975.
18 Each member shall either be a resident of Illinois or shall
19 certify that he or she will become a resident of Illinois
20 before taking office. ~~At least one member shall be experienced~~
21 ~~in law enforcement and criminal investigation, at least one~~
22 ~~member shall be a certified public accountant experienced in~~
23 ~~accounting and auditing, and at least one member shall be a~~
24 ~~lawyer licensed to practice law in Illinois.~~

25 (3) The terms of office of the Board members shall be 4 ~~3~~
26 years, except that the terms of office of the initial Board

1 members appointed pursuant to this amendatory Act of the 95th
2 General Assembly Act will commence from the effective date of
3 this amendatory Act and run as follows, to be determined by
4 lot: one for a term ending July 1 of the year following
5 confirmation, ~~1991~~, one ~~2~~ for a term ending July 1 two years
6 following confirmation, ~~1992~~, one ~~and 2~~ for a term ending July
7 1 three years following confirmation, and 2 for a term ending
8 July 1 four years following confirmation ~~1993~~. Upon the
9 expiration of the foregoing terms, the successors of such
10 members shall serve a term for 4 ~~3~~ years and until their
11 successors are appointed and qualified for like terms.
12 Vacancies in the Board shall be filled for the unexpired term
13 in like manner as original appointments. Each member of the
14 Board shall be eligible for reappointment, subject to the
15 nomination process of the Nomination Panel, by ~~at the~~
16 discretion of the Governor with the advice and consent of the
17 Senate.

18 Until all 5 members of the Board are appointed and
19 qualified pursuant to this amendatory Act of the 95th General
20 Assembly, the Illinois Gaming Board may not act with regard to
21 any license under which gambling operations are not being
22 conducted on the effective date of this amendatory Act,
23 excluding the dormant license as defined in subsection (a-3) of
24 Section 13; however, the Board may authorize additional
25 positions at riverboats in operation on the effective date of
26 this amendatory Act and issue electronic gaming licenses

1 pursuant to this amendatory Act.

2 (4) The chairman of the Board shall receive an annual
3 salary equal to the annual salary of a State appellate court
4 judge. Other members of the Board shall receive an annual
5 salary equal to the annual salary of a State circuit court
6 judge. ~~Each member of the Board shall receive \$300 for each day~~
7 ~~the Board meets and for each day the member conducts any~~
8 ~~hearing pursuant to this Act.~~ Each member of the Board shall
9 also be reimbursed for all actual and necessary expenses and
10 disbursements incurred in the execution of official duties.

11 (5) (Blank). ~~No person shall be appointed a member of the~~
12 ~~Board or continue to be a member of the Board who is, or whose~~
13 ~~spouse, child or parent is, a member of the board of directors~~
14 ~~of, or a person financially interested in, any gambling~~
15 ~~operation subject to the jurisdiction of this Board, or any~~
16 ~~race track, race meeting, racing association or the operations~~
17 ~~thereof subject to the jurisdiction of the Illinois Racing~~
18 ~~Board. No Board member shall hold any other public office for~~
19 ~~which he shall receive compensation other than necessary travel~~
20 ~~or other incidental expenses. No person shall be a member of~~
21 ~~the Board who is not of good moral character or who has been~~
22 ~~convicted of, or is under indictment for, a felony under the~~
23 ~~laws of Illinois or any other state, or the United States.~~

24 (6) Any member of the Board may be removed by the Governor
25 for neglect of duty, misfeasance, malfeasance, or nonfeasance
26 in office or for engaging in any political activity.

1 (7) Before entering upon the discharge of the duties of his
2 office, each member of the Board shall take an oath that he
3 will faithfully execute the duties of his office according to
4 the laws of the State and the rules and regulations adopted
5 therewith and shall give bond to the State of Illinois,
6 approved by the Governor, in the sum of \$25,000. Every such
7 bond, when duly executed and approved, shall be recorded in the
8 office of the Secretary of State. Whenever the Governor
9 determines that the bond of any member of the Board has become
10 or is likely to become invalid or insufficient, he shall
11 require such member forthwith to renew his bond, which is to be
12 approved by the Governor. Any member of the Board who fails to
13 take oath and give bond within 30 days from the date of his
14 appointment, or who fails to renew his bond within 30 days
15 after it is demanded by the Governor, shall be guilty of
16 neglect of duty and may be removed by the Governor. The cost of
17 any bond given by any member of the Board under this Section
18 shall be taken to be a part of the necessary expenses of the
19 Board.

20 (8) The ~~Upon the request of the Board, the Department~~ shall
21 employ such personnel as may be necessary to carry out its ~~the~~
22 functions and shall determine the salaries of all personnel,
23 except those personnel whose salaries are determined under the
24 terms of a collective bargaining agreement ~~of the Board~~. No
25 person shall be employed to serve the Board who is, or whose
26 spouse, parent or child is, an official of, or has a financial

1 interest in or financial relation with, any operator engaged in
2 gambling operations within this State or any organization
3 engaged in conducting horse racing within this State. For the 2
4 years immediately preceding employment, an employee shall not
5 have been employed or received compensation or fees for
6 services from a person or entity, or its parent or affiliate,
7 that has engaged in business with the Board, a licensee, or a
8 licensee under the Horse Racing Act of 1975. Any employee
9 violating these prohibitions shall be subject to termination of
10 employment.

11 (9) An Administrator shall perform any and all duties that
12 the Board shall assign him. The salary of the Administrator
13 shall be determined by the Board ~~and approved by the Director~~
14 ~~of the Department~~ and, in addition, he shall be reimbursed for
15 all actual and necessary expenses incurred by him in discharge
16 of his official duties. The Administrator shall keep records of
17 all proceedings of the Board and shall preserve all records,
18 books, documents and other papers belonging to the Board or
19 entrusted to its care. The Administrator shall devote his full
20 time to the duties of the office and shall not hold any other
21 office or employment.

22 (b) The Board shall have general responsibility for the
23 implementation of this Act. Its duties include, without
24 limitation, the following:

25 (1) To decide promptly and in reasonable order all
26 license applications. Any party aggrieved by an action of

1 the Board denying, suspending, revoking, restricting or
2 refusing to renew a license may request a hearing before
3 the Board. A request for a hearing must be made to the
4 Board in writing within 5 days after service of notice of
5 the action of the Board. Notice of the action of the Board
6 shall be served either by personal delivery or by certified
7 mail, postage prepaid, to the aggrieved party. Notice
8 served by certified mail shall be deemed complete on the
9 business day following the date of such mailing. The Board
10 shall conduct all requested hearings promptly and in
11 reasonable order;

12 (2) To conduct all hearings pertaining to civil
13 violations of this Act or rules and regulations promulgated
14 hereunder;

15 (3) To promulgate such rules and regulations as in its
16 judgment may be necessary to protect or enhance the
17 credibility and integrity of gambling operations
18 authorized by this Act and the regulatory process
19 hereunder;

20 (4) To provide for the establishment and collection of
21 all license and registration fees and taxes imposed by this
22 Act and the rules and regulations issued pursuant hereto.
23 All such fees and taxes shall be deposited into the State
24 Gaming Fund, unless otherwise provided for;

25 (5) To provide for the levy and collection of penalties
26 and fines for the violation of provisions of this Act and

1 the rules and regulations promulgated hereunder. All such
2 fines and penalties shall be deposited into the Education
3 Assistance Fund, created by Public Act 86-0018, of the
4 State of Illinois;

5 (6) (Blank) ~~To be present through its inspectors and~~
6 ~~agents any time gambling operations are conducted on any~~
7 ~~riverboat for the purpose of certifying the revenue~~
8 ~~thereof, receiving complaints from the public, and~~
9 ~~conducting such other investigations into the conduct of~~
10 ~~the gambling games and the maintenance of the equipment as~~
11 ~~from time to time the Board may deem necessary and proper;~~

12 (7) To review and rule upon any complaint by a licensee
13 regarding any investigative procedures of the State which
14 are unnecessarily disruptive of gambling operations. The
15 need to inspect and investigate shall be presumed at all
16 times. The disruption of a licensee's operations shall be
17 proved by clear and convincing evidence, and establish
18 that: (A) the procedures had no reasonable law enforcement
19 purposes, and (B) the procedures were so disruptive as to
20 unreasonably inhibit gambling operations;

21 (8) (Blank) ~~To hold at least one meeting each quarter~~
22 ~~of the fiscal year. In addition, special meetings may be~~
23 ~~called by the Chairman or any 2 Board members upon 72 hours~~
24 ~~written notice to each member. All Board meetings shall be~~
25 ~~subject to the Open Meetings Act. Three members of the~~
26 ~~Board shall constitute a quorum, and 3 votes shall be~~

1 ~~required for any final determination by the Board. The~~
2 ~~Board shall keep a complete and accurate record of all its~~
3 ~~meetings. A majority of the members of the Board shall~~
4 ~~constitute a quorum for the transaction of any business,~~
5 ~~for the performance of any duty, or for the exercise of any~~
6 ~~power which this Act requires the Board members to~~
7 ~~transact, perform or exercise en banc, except that, upon~~
8 ~~order of the Board, one of the Board members or an~~
9 ~~administrative law judge designated by the Board may~~
10 ~~conduct any hearing provided for under this Act or by Board~~
11 ~~rule and may recommend findings and decisions to the Board.~~
12 ~~The Board member or administrative law judge conducting~~
13 ~~such hearing shall have all powers and rights granted to~~
14 ~~the Board in this Act. The record made at the time of the~~
15 ~~hearing shall be reviewed by the Board, or a majority~~
16 ~~thereof, and the findings and decision of the majority of~~
17 ~~the Board shall constitute the order of the Board in such~~
18 ~~case;~~

19 (9) To maintain records which are separate and distinct
20 from the records of any other State board or commission.
21 Such records shall be available for public inspection and
22 shall accurately reflect all Board proceedings;

23 (10) (Blank) ~~To file a written annual report with the~~
24 ~~Governor on or before March 1 each year and such additional~~
25 ~~reports as the Governor may request. The annual report~~
26 ~~shall include a statement of receipts and disbursements by~~

1 ~~the Board, actions taken by the Board, and any additional~~
2 ~~information and recommendations which the Board may deem~~
3 ~~valuable or which the Governor may request;~~

4 (11) (Blank); ~~and~~

5 (12) (Blank); and ~~To assume responsibility for the~~
6 ~~administration and enforcement of the Bingo License and Tax~~
7 ~~Act, the Charitable Games Act, and the Pull Tabs and Jar~~
8 ~~Games Act if such responsibility is delegated to it by the~~
9 ~~Director of Revenue.~~

10 (13) To assume responsibility for the administration
11 and enforcement of operations at electronic gaming
12 facilities pursuant to this Act.

13 (c) The Board shall have jurisdiction over and shall
14 supervise all gambling operations governed by this Act. The
15 Board shall have all powers necessary and proper to fully and
16 effectively execute the provisions of this Act, including, but
17 not limited to, the following:

18 (1) To ~~investigate applicants and~~ determine the
19 eligibility of applicants for licenses and to select among
20 competing applicants the applicants which best serve the
21 interests of the citizens of Illinois.

22 (2) To have jurisdiction and supervision over all
23 ~~riverboat~~ gambling operations authorized under this Act ~~in~~
24 ~~this State~~ and all persons in places ~~on riverboats~~ where
25 gambling operations are conducted.

26 (3) To promulgate rules and regulations for the purpose

1 of administering the provisions of this Act and to
2 prescribe rules, regulations and conditions under which
3 all ~~riverboat~~ gambling operations subject to this Act ~~in~~
4 ~~the State~~ shall be conducted. Such rules and regulations
5 are to provide for the prevention of practices detrimental
6 to the public interest and for the best interests of
7 ~~riverboat~~ gambling, including rules and regulations
8 regarding the inspection of licensed facilities ~~such~~
9 ~~riverboats~~ and the review of any permits or licenses
10 necessary to operate a licensed facility ~~riverboat~~ under
11 any laws or regulations applicable to licensed facilities
12 ~~riverboats~~, and to impose penalties for violations
13 thereof.

14 (4) (Blank). ~~To enter the office, riverboats,~~
15 ~~facilities, or other places of business of a licensee,~~
16 ~~where evidence of the compliance or noncompliance with the~~
17 ~~provisions of this Act is likely to be found.~~

18 (5) ~~To investigate alleged violations of this Act or~~
19 ~~the rules of the Board and to take appropriate disciplinary~~
20 ~~action against a licensee or a holder of an occupational~~
21 ~~license~~ for a violation, or institute appropriate legal
22 action for enforcement, or both.

23 (6) To adopt standards for the licensing of all persons
24 under this Act, as well as for electronic or mechanical
25 gambling games, and to establish fees for such licenses.

26 (7) To adopt appropriate standards for all licensed

1 facilities authorized under this Act ~~riverboats and~~
2 ~~facilities.~~

3 (8) To require that the records, including financial or
4 other statements of any licensee under this Act, shall be
5 kept in such manner as prescribed by the Board and that any
6 such licensee involved in the ownership or management of
7 gambling operations submit to the Board an annual balance
8 sheet and profit and loss statement, list of the
9 stockholders or other persons having a 1% or greater
10 beneficial interest in the gambling activities of each
11 licensee, and any other information the Board deems
12 necessary in order to effectively administer this Act and
13 all rules, regulations, orders and final decisions
14 promulgated under this Act.

15 (9) To conduct hearings, issue subpoenas for the
16 attendance of witnesses and subpoenas duces tecum for the
17 production of books, records and other pertinent documents
18 in accordance with the Illinois Administrative Procedure
19 Act, and to administer oaths and affirmations to the
20 witnesses, when, in the judgment of the Board, it is
21 necessary to administer or enforce this Act or the Board
22 rules.

23 (10) To prescribe a form to be used by any licensee
24 involved in the ownership or management of gambling
25 operations as an application for employment for their
26 employees.

1 (11) To revoke or suspend licenses, as the Board may
2 see fit and in compliance with applicable laws of the State
3 regarding administrative procedures, and to review
4 applications for the renewal of licenses.

5 (11.5) To ~~The Board may~~ suspend a ~~an owners~~ license,
6 without notice or hearing, upon a determination that the
7 safety or health of patrons or employees is jeopardized by
8 continuing a gambling operation conducted under that
9 license ~~a riverboat's operation~~. The suspension may remain
10 in effect until the Board determines that the cause for
11 suspension has been abated. After such a suspension, the
12 ~~The~~ Board may revoke a ~~the owners~~ license upon a
13 determination that the licensee ~~owner~~ has not made
14 satisfactory progress toward abating the hazard.

15 (12) (Blank). ~~To eject or exclude or authorize the~~
16 ~~ejection or exclusion of, any person from riverboat~~
17 ~~gambling facilities where such person is in violation of~~
18 ~~this Act, rules and regulations thereunder, or final orders~~
19 ~~of the Board, or where such person's conduct or reputation~~
20 ~~is such that his presence within the riverboat gambling~~
21 ~~facilities may, in the opinion of the Board, call into~~
22 ~~question the honesty and integrity of the gambling~~
23 ~~operations or interfere with orderly conduct thereof;~~
24 ~~provided that the propriety of such ejection or exclusion~~
25 ~~is subject to subsequent hearing by the Board.~~

26 (13) To require all gaming licensees ~~of gambling~~

1 ~~operations~~ to utilize a cashless wagering system whereby
2 all players' money is converted to tokens, electronic
3 cards, or chips which shall be used only for wagering in
4 the gambling establishment.

5 (14) (Blank).

6 (15) To suspend, revoke or restrict licenses, to
7 require the removal of a licensee or an employee of a
8 licensee for a violation of this Act or a Board rule or for
9 engaging in a fraudulent practice, and to impose civil
10 penalties of up to \$5,000 against individuals and up to
11 \$10,000 or an amount equal to the daily gross receipts,
12 whichever is larger, against licensees for each violation
13 of any provision of the Act, any rules adopted by the
14 Board, any order of the Board or any other action which, in
15 the Board's discretion, is a detriment or impediment to
16 ~~riverboat~~ gambling operations.

17 (16) To hire employees to ~~gather information, conduct~~
18 ~~investigations and~~ carry out any other tasks contemplated
19 under this Act.

20 (17) To establish minimum levels of insurance to be
21 maintained by licensees.

22 (18) To authorize a gaming licensee to sell or serve
23 alcoholic liquors, wine or beer as defined in the Liquor
24 Control Act of 1934 in a licensed facility ~~on board a~~
25 ~~riverboat~~ and to have exclusive authority to establish the
26 hours for sale and consumption of alcoholic liquor in a

1 licensed facility ~~on board a riverboat~~, notwithstanding
2 any provision of the Liquor Control Act of 1934 or any
3 local ordinance, and regardless of whether the riverboat
4 makes excursions. The establishment of the hours for sale
5 and consumption of alcoholic liquor in a licensed facility
6 ~~on board a riverboat~~ is an exclusive power and function of
7 the State. A home rule unit may not establish the hours for
8 sale and consumption of alcoholic liquor in a licensed
9 facility ~~on board a riverboat~~. This subdivision (18)
10 ~~amendatory Act of 1991~~ is a denial and limitation of home
11 rule powers and functions under subsection (h) of Section 6
12 of Article VII of the Illinois Constitution.

13 (19) After consultation with the U.S. Army Corps of
14 Engineers, to establish binding emergency orders upon the
15 concurrence of a majority of the members of the Board
16 regarding the navigability of water, relative to
17 excursions, in the event of extreme weather conditions,
18 acts of God or other extreme circumstances.

19 (20) To delegate the execution of any of its powers
20 under this Act for the purpose of administering and
21 enforcing this Act and its rules and regulations hereunder.

22 (21) To make rules concerning the conduct of electronic
23 gaming.

24 (22) To make rules concerning the conduct of electronic
25 poker.

26 (23) To review all contracts entered into by gaming

1 licensees authorized under this Act. The Board must review
2 and approve all contracts entered into by a gaming licensee
3 for an aggregate amount of \$10,000 or more or for a term to
4 exceed 365 days. If an electronic gaming licensee enters
5 into a contract that is exclusively related to the
6 operation of the licensee's race track, however, then no
7 Board approval is necessary. If there is any doubt as to
8 whether a contract entered into is exclusively related to
9 the operation of the licensee's race track, then the
10 contract shall be determined to be subject to the
11 jurisdiction of the Board. If a contract has been entered
12 into prior to Board authorization of a requested action,
13 including without limitation a contract for a construction
14 project for expansion of a facility, or for construction of
15 a relocated facility, then the contract is not valid until
16 the Board approves both the requested action and the
17 contract itself.

18 (24) ~~(21)~~ To take any other action as may be reasonable
19 or appropriate to enforce this Act and rules and
20 regulations hereunder.

21 (d) (Blank). ~~The Board may seek and shall receive the~~
22 ~~cooperation of the Department of State Police in conducting~~
23 ~~background investigations of applicants and in fulfilling its~~
24 ~~responsibilities under this Section. Costs incurred by the~~
25 ~~Department of State Police as a result of such cooperation~~
26 ~~shall be paid by the Board in conformance with the requirements~~

1 ~~of Section 2605-400 of the Department of State Police Law (20~~
2 ~~ILCS 2605/2605-400).~~

3 (e) (Blank). ~~The Board must authorize to each investigator~~
4 ~~and to any other employee of the Board exercising the powers of~~
5 ~~a peace officer a distinct badge that, on its face, (i) clearly~~
6 ~~states that the badge is authorized by the Board and (ii)~~
7 ~~contains a unique identifying number. No other badge shall be~~
8 ~~authorized by the Board.~~

9 (f) Except as provided in subsection (h) of Section 5.4,
10 all Board meetings are subject to the Open Meetings Act. Three
11 members of the Board constitute a quorum, and 3 votes are
12 required for any final determination by the Board. The Board
13 shall keep a complete and accurate record of all its meetings.
14 A majority of the members of the Board constitute a quorum for
15 the transaction of any business, for the performance of any
16 duty, or for the exercise of any power that this Act requires
17 the Board members to transact, perform, or exercise en banc,
18 except that, upon order of the Board, one of the Board members
19 or an administrative law judge designated by the Board may
20 conduct any hearing provided for under this Act or by Board
21 rule and may recommend findings and decisions to the Board. The
22 Board member or administrative law judge conducting such
23 hearing has all powers and rights granted to the Board in this
24 Act. The record made at the time of the hearing shall be
25 reviewed by the Board, or a majority thereof, and the findings
26 and decision of the majority of the Board constitutes the order

1 of the Board in such case.

2 (g) The Board shall carry on a continuous study of the
3 operation and administration of gaming laws that may be in
4 effect in other jurisdictions, literature on this subject that
5 may from time to time become available, federal laws that may
6 affect the operation of gaming in this State, and the reaction
7 of Illinois citizens to existing and potential features of
8 gaming under this Act. The Board is responsible for
9 ascertaining any defects in this Act or in the rules adopted
10 thereunder, formulating recommendations for changes in this
11 Act to prevent abuses thereof, guarding against the use of this
12 Act as a cloak for the carrying on of illegal gambling or other
13 criminal activities, and insuring that this Act and the rules
14 are in such form and so administered as to serve the true
15 purposes of this Act.

16 (h) Prior to the issuance of the license authorized by
17 Section 7.11a, the Board shall conduct a study of the
18 feasibility of granting that license to the State Authority as
19 opposed to a privately owned authority. In conducting this
20 study, the Board shall consider:

21 (1) the highest prospective total revenue to be derived
22 by the State from the conduct of gambling as operated by
23 the State Authority as opposed to a privately owned
24 authority;

25 (2) whether granting the license to the State Authority
26 will maintain public confidence and trust in the

1 credibility and integrity of the gambling operations;

2 (3) the operation and administration of publicly owned
3 gaming operations in other jurisdictions;

4 (4) the reaction of Illinois citizens to a publicly
5 owned authority;

6 (5) whether the State Authority has a greater financial
7 ability to insure against liability and casualty;

8 (6) whether the State Authority can more adequately
9 assure capitalization to provide and maintain, for the
10 duration of a license, a gaming operation;

11 (7) the extent to which the State Authority exceeds or
12 meets the standards for the issuance of a license, which
13 the Board may adopt by rule; and

14 (8) the most significant economic development over a
15 large geographic area from the conduct of gambling as
16 operated by the State Authority as opposed to a privately
17 owner authority.

18 The study required under this subsection (h) shall be
19 completed within one year after the appointment of the Board
20 authorized under this amendatory Act of the 95th General
21 Assembly.

22 (i) The Board shall file with the Governor and the General
23 Assembly an annual report of (i) all revenues, expenses, and
24 disbursements, (ii) actions taken by the Board, (iii) activity
25 at Responsible Play Information Centers at licensed
26 facilities, and (iv) any recommendations for changes in this

1 Act as the Board deems necessary or desirable. The Board shall
2 also report recommendations that promote more efficient
3 operations of the Board.

4 (j) The Board shall report immediately to the Governor and
5 the General Assembly any matters that in its judgment require
6 immediate changes in the laws of this State in order to prevent
7 abuses and evasions of this Act or of its rules or to rectify
8 undesirable conditions in connection with the operation and
9 regulation of gambling operations.

10 (Source: P.A. 91-40, eff. 1-1-00; 91-239, eff. 1-1-00; 91-883,
11 eff. 1-1-01.)

12 (230 ILCS 10/5.1) (from Ch. 120, par. 2405.1)

13 Sec. 5.1. Disclosure of records.

14 (a) Notwithstanding any applicable statutory provision to
15 the contrary, the Board shall, on written request from any
16 person, provide information furnished by an applicant for a
17 gaming license or a gaming licensee concerning the applicant or
18 licensee, his products, services or gambling enterprises and
19 his business holdings, as follows:

20 (1) The name, business address and business telephone
21 number of any applicant or licensee.

22 (2) An identification of any applicant or licensee
23 including, if an applicant or licensee is not an
24 individual, the state of incorporation or registration,
25 the corporate officers, and the identity of all

1 shareholders or participants. If an applicant or licensee
2 has a pending registration statement filed with the
3 Securities and Exchange Commission, only the names of those
4 persons or entities holding interest of 1% ~~5%~~ or more must
5 be provided.

6 (3) An identification of any business, including, if
7 applicable, the state of incorporation or registration, in
8 which an applicant or licensee or an applicant's or
9 licensee's spouse or children has an equity interest of
10 more than 1% ~~5%~~. If an applicant or licensee is a
11 corporation, partnership or other business entity, the
12 applicant or licensee shall identify any other
13 corporation, partnership or business entity in which it has
14 an equity interest of 1% ~~5%~~ or more, including, if
15 applicable, the state of incorporation or registration.
16 This information need not be provided by a corporation,
17 partnership or other business entity that has a pending
18 registration statement filed with the Securities and
19 Exchange Commission.

20 (4) Whether an applicant or licensee has been indicted,
21 convicted, pleaded guilty or nolo contendere, or forfeited
22 bail concerning any criminal offense under the laws of any
23 jurisdiction, either felony or misdemeanor (except for
24 traffic violations), including the date, the name and
25 location of the court, arresting agency and prosecuting
26 agency, the case number, the offense, the disposition and

1 the location and length of incarceration.

2 (5) Whether an applicant or licensee has had any
3 license or certificate issued by a licensing authority in
4 Illinois or any other jurisdiction denied, restricted,
5 suspended, revoked or not renewed and a statement
6 describing the facts and circumstances concerning the
7 denial, restriction, suspension, revocation or
8 non-renewal, including the licensing authority, the date
9 each such action was taken, and the reason for each such
10 action.

11 (6) Whether an applicant or licensee has ever filed or
12 had filed against it a proceeding in bankruptcy or has ever
13 been involved in any formal process to adjust, defer,
14 suspend or otherwise work out the payment of any debt
15 including the date of filing, the name and location of the
16 court, the case and number of the disposition.

17 (7) Whether an applicant or licensee has filed, or been
18 served with a complaint or other notice filed with any
19 public body, regarding the delinquency in the payment of,
20 or a dispute over the filings concerning the payment of,
21 any tax required under federal, State or local law,
22 including the amount, type of tax, the taxing agency and
23 time periods involved.

24 (8) A statement listing the names and titles of all
25 public officials or officers of any unit of government, and
26 relatives of said public officials or officers who,

1 directly or indirectly, own any financial interest in, have
2 any beneficial interest in, are the creditors of or hold
3 any debt instrument issued by, or hold or have any interest
4 in any contractual or service relationship with, an
5 applicant or licensee.

6 (9) Whether an applicant or licensee has made, directly
7 or indirectly, any political contribution, or any loans,
8 donations or other payments, to any candidate or office
9 holder, within 5 years from the date of filing the
10 application, including the amount and the method of
11 payment.

12 (10) The name and business telephone number of the
13 counsel representing an applicant or licensee in matters
14 before the Board.

15 (11) A description of any proposed or approved gambling
16 ~~riverboat gaming~~ operation, including the type of boat (if
17 applicable), ~~home dock~~ location, expected economic benefit
18 to the community, anticipated or actual number of
19 employees, any statement from an applicant or licensee
20 regarding compliance with federal and State affirmative
21 action guidelines, projected or actual admissions and
22 projected or actual adjusted gross gaming receipts.

23 (12) A description of the product or service to be
24 supplied by an applicant for a supplier's license.

25 (b) Notwithstanding any applicable statutory provision to
26 the contrary, the Board shall, on written request from any

1 person, also provide the following information furnished by an
2 applicant for a gaming license or gaming licensee:

3 (1) The amount of the wagering tax and admission tax
4 paid daily to the State of Illinois by the holder of an
5 owner's license.

6 (2) Whenever the Board finds an applicant for an
7 owner's license unsuitable for licensing, a copy of the
8 written letter outlining the reasons for the denial.

9 (3) Whenever the Board has refused to grant leave for
10 an applicant to withdraw his application, a copy of the
11 letter outlining the reasons for the refusal.

12 (c) Subject to the above provisions, the Board shall not
13 disclose any information which would be barred by:

14 (1) Section 7 of the Freedom of Information Act; or

15 (2) The statutes, rules, regulations or
16 intergovernmental agreements of any jurisdiction.

17 (d) The Board may assess fees for the copying of
18 information in accordance with Section 6 of the Freedom of
19 Information Act.

20 (Source: P.A. 87-826.)

21 (230 ILCS 10/5.2 new)

22 Sec. 5.2. Separation from Department of Revenue. On the
23 effective date of this amendatory Act of the 95th General
24 Assembly, all of the powers, duties, assets, liabilities,
25 employees, contracts, property, records, pending business, and

1 unexpended appropriations of the Department of Revenue related
2 to the administration and enforcement of this Act are
3 transferred to the Illinois Gaming Board and the Office of
4 Gaming Enforcement.

5 The status and rights of the transferred employees, and the
6 rights of the State of Illinois and its agencies, under the
7 Personnel Code and applicable collective bargaining agreements
8 or under any pension, retirement, or annuity plan are not
9 affected (except as provided in the Illinois Pension Code) by
10 that transfer or by any other provision of this amendatory Act
11 of the 95th General Assembly.

12 (230 ILCS 10/5.3 new)

13 Sec. 5.3. Nomination Panel.

14 (a) The Nomination Panel is established to provide a list
15 of nominees to the Governor for appointment to the Illinois
16 Gaming Board, the Illinois Racing Board, the Illinois Casino
17 Development Board, and the position of Director of Gaming
18 Enforcement. Members of the Nomination Panel shall be the
19 following: (1) the Executive Ethics Commissioner appointed by
20 the Secretary of State; (2) the Executive Ethics Commissioner
21 appointed by the Treasurer; (3) the Executive Ethics
22 Commissioner appointed by the Comptroller; (4) the Executive
23 Ethics Commissioner appointed by the Attorney General; and (5)
24 one Executive Ethics Commissioner appointed by the Governor.
25 However, the appointing authorities as of the effective date of

1 this amendatory Act of the 95th General Assembly shall remain
2 empowered to fill vacancies on the Nomination Panel until all
3 members of the new Gaming Board, Racing Board, and Illinois
4 Casino Development Board and the Director of Gaming Enforcement
5 have been appointed and qualified, regardless of whether such
6 appointing authorities remain members of the Executive Ethics
7 Commission. In the event of such appointing authority's
8 disqualification, resignation, or refusal to serve as an
9 appointing authority, the Constitutional officer that
10 appointed the Executive Ethics Commissioner may name a designee
11 to serve as an appointing authority for the Nomination Panel.
12 The appointing authorities may hold so many public or
13 non-public meetings as is required to fulfill their duties, and
14 may utilize the staff and budget of the Executive Ethics
15 Commission in carrying out their duties; provided, however,
16 that a final vote on appointees to the Nomination Panel shall
17 take place in a meeting governed by the Open Meetings Act. Any
18 ex parte communications regarding the Nomination Panel must be
19 made a part of the record at the next public meeting and part
20 of a written record. The appointing authorities shall file a
21 list of members of the Nomination Panel with the Secretary of
22 State within 60 days after the effective date of this
23 amendatory Act of the 95th General Assembly. A vacancy on the
24 Nomination Panel due to disqualification or resignation must be
25 filled within 60 days of a vacancy and the appointing
26 authorities must file the name of the new appointee with the

1 Secretary of State.

2 (b) Candidates for nomination to the Illinois Gaming Board,
3 the Illinois Racing Board, or the position of Director of
4 Gaming Enforcement may apply or be nominated. All candidates
5 must fill out a written application and submit to a background
6 investigation to be eligible for consideration. The written
7 application must include, at a minimum, a sworn statement
8 disclosing any communications that the applicant has engaged in
9 with a constitutional officer, a member of the General
10 Assembly, a special government agent (as that term is defined
11 in Section 4A-101 of the Illinois Governmental Ethics Act), a
12 director, secretary, or other employee of the executive branch
13 of the State, or an employee of the legislative branch of the
14 State related to the regulation of gaming within the last year.

15 A person who provides false or misleading information on
16 the application or fails to disclose a communication required
17 to be disclosed in the sworn statement under this Section is
18 guilty of a Class 4 felony.

19 (c) Once an application is submitted to the Nomination
20 Panel and until (1) the candidate is rejected by the Nomination
21 Panel, (2) the candidate is rejected by the Governor, (3) the
22 candidate is rejected by the Senate, or (4) the candidate is
23 confirmed by the Senate, whichever is applicable, a candidate
24 may not engage in ex parte communications, as that term is
25 defined in Section 5.7 of this Act.

26 (d) For the purpose of making the initial nominations after

1 the effective date of the amendatory Act of the 95th General
2 Assembly, the Nomination Panel shall request the assistance of
3 the Illinois State Police to conduct the background
4 investigation. The Nomination Panel shall have 60 days after
5 approval with the Illinois State Police to conduct background
6 investigations of candidates under consideration of the
7 Nomination Panel.

8 (e) The Nomination Panel must review written applications,
9 determine eligibility for oral interviews, confirm
10 satisfactory background investigations, and hold public
11 hearings on qualifications of candidates. Initial interviews
12 of candidates need not be held in meetings subject to the Open
13 Meetings Act; members or staff may arrange for informal
14 interviews. Prior to recommendation, however, the Nomination
15 Panel must question candidates in a meeting subject to the Open
16 Meetings Act under oath.

17 (f) The Nomination Panel must review written applications,
18 determine eligibility for oral interviews, confirm
19 satisfactory criminal history records checks, and hold public
20 hearings on qualifications of candidates.

21 (g) The Nomination Panel must recommend candidates for
22 nomination to the Illinois Gaming Board, the Illinois Racing
23 Board, the Illinois Casino Development Authority, and the
24 Director of Gaming Enforcement. The Governor may choose only
25 from the Nomination Panel's recommendations; however, within
26 30 days, he or she must accept or reject the original

1 recommendations and request additional recommendations from
2 the Nomination Panel, if necessary. The Nomination Panel shall
3 recommend to the Governor 3 candidates for every open position
4 for the Illinois Racing Board, the Illinois Gaming Board, the
5 Illinois Casino Development Authority, and the Director of
6 Gaming Enforcement. The Nomination Panel shall recommend
7 candidates to the Governor within 10 days upon request by the
8 Governor for additional candidates. The Nomination Panel shall
9 file the names of nominees with the Senate and the Secretary of
10 State. The Secretary of State shall indicate the date and time
11 of filing. Any nominations not forwarded by the Governor to the
12 Senate within 30 days are disapproved.

13 (h) Selections by the Governor must receive the advice and
14 consent of the Senate by record vote of at least two-thirds of
15 the members elected.

16 (230 ILCS 10/5.4 new)

17 Sec. 5.4. Office of Gaming Enforcement.

18 (a) There is established the Office of Gaming Enforcement,
19 which shall have the powers and duties specified in this Act or
20 the Illinois Horse Racing Act of 1975. Its jurisdiction shall
21 extend under this Act and the Illinois Horse Racing Act of 1975
22 to every licensee, person, association, corporation,
23 partnership and trust involved in gambling operations in the
24 State of Illinois.

25 (b) The Office shall have an officer as its head who shall

1 be known as the Director and who shall execute the powers and
2 discharge the duties given to the Office by this Act and the
3 Illinois Horse Racing Act of 1975. The Director must have at
4 least 10 years experience in law enforcement and investigatory
5 methods at the federal or state level, but not necessarily in
6 Illinois, with a preference given for experience in regulation
7 or investigation in the gaming industry. Nominations for the
8 position of Director must be made by the Nomination Panel as
9 provided in Section 5.3. The Director of the Office may be
10 removed by the Governor for neglect of duty, misfeasance,
11 malfeasance, or nonfeasance in office. The Director shall
12 receive an annual salary equal to the annual salary of a State
13 appellate court judge and shall hold no other employment for
14 which he or she receives compensation. The Director may not
15 hold a local, state, or federal elective or appointive office
16 or be employed by a local, state, or federal governmental
17 entity while in office.

18 (c) The Director shall employ such personnel as may be
19 necessary to carry out the functions of the Office and shall
20 determine the salaries of all personnel, except those personnel
21 whose salaries are determined under the terms of a collective
22 bargaining agreement. An employee or the employee's spouse,
23 parent, or child, may not, for 2 years before employment,
24 during employment, and for 5 years after employment by the
25 Office have a financial interest in or financial relationship
26 with, any operator engaged in gambling operations within this

1 State or any organization engaged in conducting horse racing
2 within this State. Any employee violating these prohibitions is
3 subject to termination of employment.

4 (d) The Office shall have general responsibility for the
5 investigation and enforcement under this Act and the Illinois
6 Horse Racing Act of 1975. Its duties include without limitation
7 the following:

8 (1) To be present through its inspectors and agents any
9 time gambling operations are conducted for the purpose of
10 certifying the revenue thereof, receiving complaints from
11 the public, and conducting such other investigations into
12 the conduct of the gambling games and the maintenance of
13 the equipment as from time to time the Board may deem
14 necessary and proper.

15 (2) To supervise all gambling operations authorized
16 under this Act and the Illinois Horse Racing Act of 1975
17 and all persons in places where gambling operations are
18 conducted.

19 (3) To promulgate rules regarding the inspection of
20 riverboats, casinos, and electronic gaming facilities.

21 (4) To enter the licensed facility or other places of
22 business of a licensee under this Act or the Illinois Horse
23 Racing Act of 1975 where evidence of the compliance or
24 noncompliance with the provisions of those Acts are likely
25 to be found.

26 (5) To exchange fingerprint data with, and receive

1 criminal history record information from, the Federal
2 Bureau of Investigation, to the extent possible, and the
3 Department of State Police for use in considering
4 applicants for any license.

5 (6) To eject or exclude or authorize the ejection or
6 exclusion of any person from licensed facilities where the
7 person is in violation of this Act or the Illinois Horse
8 Racing Act of 1975, rules thereunder, or final orders of
9 the appropriate Board, or where such person's conduct or
10 reputation is such that his or her presence within the
11 licensed facilities may call into question the honesty and
12 integrity of the gambling operations or interfere with the
13 orderly conduct thereof; provided that the propriety of
14 such ejection or exclusion is subject to subsequent
15 hearing.

16 (7) To hire employees to gather information, conduct
17 investigations, and carry out any other tasks contemplated
18 under this Act or the Illinois Horse Racing Act of 1975.

19 (8) To conduct investigations on its own initiative or
20 as requested by the Illinois Gaming Board, Illinois Racing
21 Board, or the Nomination Panel, including without
22 limitation investigations for suspected violations of this
23 Act and the Illinois Horse Racing Act of 1975 and
24 investigations for issuance or renewal of a license.

25 (e) The Office must issue to each investigator and to any
26 other employee of the Office exercising the powers of a peace

1 officer a distinct badge that, on its face, (i) clearly states
2 that the badge is authorized by the Office and (ii) contains a
3 unique identifying number. No other badge shall be authorized
4 by the Office.

5 (f) The Office is a law enforcement agency, and its
6 employees and agents shall have such law enforcement powers as
7 may be delegated to them by the Attorney General to effectuate
8 the purposes of this Act.

9 (g) Whenever the Office has reason to believe that any
10 person may be in possession, custody, or control of any
11 documentary material or information relevant to an
12 investigation, the Office may, before commencing a civil
13 proceeding under this Act, issue in writing and cause to be
14 served upon such person, a subpoena requiring such person: (A)
15 to produce such documentary material for inspection and
16 copying, (B) to answer, in writing, written interrogatories
17 with respect to such documentary material or information, (C)
18 to give oral testimony concerning such documentary material or
19 information, or (D) to furnish any combination of such
20 material, answers, or testimony.

21 (h) The Office may order any person to answer a question or
22 questions or produce evidence of any kind and confer immunity
23 as provided in this subsection. If, in the course of any
24 investigation or hearing conducted under this Act, a person
25 refuses to answer a question or produce evidence on the ground
26 that he or she will be exposed to criminal prosecution thereby,

1 then in addition to any other remedies or sanctions provided
2 for by this Act, the Office may, by resolution of the Board and
3 after the written approval of the Attorney General, issue an
4 order to answer or to produce evidence with immunity. Hearings,
5 documents, and other communications regarding the granting of
6 immunity are not subject to the Freedom of Information Act or
7 the Open Meetings Act. If, upon issuance of such an order, the
8 person complies therewith, he or she shall be immune from
9 having such responsive answer given by him or her or such
10 responsive evidence produced by him or her, or evidence derived
11 therefrom, used to expose him or her to criminal prosecution,
12 except that such person may nevertheless be prosecuted for any
13 perjury committed in such answer or in producing such evidence,
14 or for contempt for failing to give an answer or produce
15 evidence in accordance with the order of the Office; provided,
16 however, that no period of incarceration for contempt shall
17 exceed 18 months in duration. Any such answer given or evidence
18 produced shall be admissible against him or her upon any
19 criminal investigation, proceeding, or trial against him or her
20 for such perjury; upon any investigation, proceeding or trial
21 against him or her for such contempt; or in any manner
22 consistent with State and constitutional provisions.

23 (i) When the Office or any entity authorized under this Act
24 or the Illinois Horse Racing Act of 1975 is authorized or
25 required by law to conduct a background investigation, the
26 Office shall:

1 (1) conduct a criminal history record check
2 investigation to obtain any information currently or
3 subsequently contained in the files of the State Police
4 and, if possible, the Federal Bureau of Investigation,
5 regarding possible criminal behavior, including
6 misdemeanor and felony convictions;

7 (2) conduct a civil action record check investigation
8 to obtain information regarding any civil matters to which
9 the person was a party, witness, or in any way
10 substantially participated in the matter;

11 (3) conduct investigation of personal and professional
12 references and acquaintances, including, but not limited
13 to, current and former employers or employees; or

14 (4) conduct investigation of financial history.

15 (230 ILCS 10/5.5 new)

16 Sec. 5.5. Ethics provisions.

17 (a) Conflict of interest. Board members, members of the
18 Nomination Panel, the Director of Gaming Enforcement, and
19 employees may not engage in communications or any activity that
20 may cause or have the appearance of causing a conflict of
21 interest. A conflict of interest exists if a situation
22 influences or creates the appearance that it may influence
23 judgment or performance of regulatory duties and
24 responsibilities. This prohibition shall extend to any act
25 identified by Board action that, in the judgment of the Board,

1 could represent the potential for or the appearance of a
2 conflict of interest.

3 (b) No State constitutional officer or member of the
4 General Assembly nor an entity from which the State
5 constitutional officer or member of the General Assembly
6 receives compensation may own a direct interest in a gaming
7 licensee or have a direct financial interest in or relationship
8 with any entity that owns, operates, or is an affiliate of a
9 gaming licensee during his or her term or for a period of 5
10 years after the State constitutional officer or member of
11 General Assembly leaves office. The holding or acquisition of
12 an interest in such entities through indirect means, such as
13 through a mutual fund, shall not be prohibited. For purposes of
14 this subsection (b), "State constitutional officer or member of
15 the General Assembly" includes the spouse or minor child of the
16 State constitutional officer or member of the General Assembly.
17 A violation of this subsection (b) is a Class 4 felony.

18 (c) Financial interest. Board members, members of the
19 Nomination Panel, the Director of Gaming Enforcement, and
20 employees may not have a financial interest, directly or
21 indirectly, in his or her own name or in the name of any other
22 person, partnership, association, trust, corporation, or other
23 entity, in any contract or subcontract for the performance of
24 any work for the Board or for any licensee. This prohibition
25 shall extend to the holding or acquisition of an interest in
26 any entity identified by Board action that, in the judgment of

1 the Board, could represent the potential for or the appearance
2 of a financial interest. The holding or acquisition of an
3 interest in such entities through an indirect means, such as
4 through a mutual fund, shall not be prohibited, except that
5 Board may identify specific investments or funds that, in its
6 judgment, are so influenced by gaming holdings as to represent
7 the potential for or the appearance of a conflict of interest.

8 (d) Gambling. Except as may be required in the conduct of
9 official duties, Board members and employees and the Director
10 of Gaming Enforcement shall not engage in gambling on any
11 riverboat, in any casino, or in an electronic gaming facility
12 licensed by the Board or engage in legalized gambling in any
13 establishment identified by Board action that, in the judgment
14 of the Board, could represent a potential for a conflict of
15 interest.

16 (e) Outside employment. A Board member, an employee, or the
17 Director of Gaming Enforcement may not, within a period of 5
18 years immediately after termination of employment, knowingly
19 accept employment or receive compensation or fees for services
20 from a person or entity, or its parent or affiliate, that has
21 engaged in business with the Board that resulted in contracts
22 with an aggregate value of at least \$25,000 or if that Board
23 member, employee, or the Director has made a decision that
24 directly applied to the person or entity, or its parent or
25 affiliate. Board members and employees shall not hold or pursue
26 employment, office, position, business, or occupation that

1 conflict with his or her official duties. Board members shall
2 not engage in other employment. Employees may engage in other
3 gainful employment so long as that employment does not
4 interfere or conflict with their duties and such employment is
5 approved by the Board.

6 (f) Gift ban. Board members, the Director of Gaming
7 Enforcement, and employees may not accept any gift, gratuity,
8 service, compensation, travel, lodging, or thing of value, with
9 the exception of unsolicited items of an incidental nature,
10 from any person, corporation or entity doing business with the
11 Board. For the Director and employees of the Office of Gaming
12 Enforcement, this ban shall also apply to any person,
13 corporation, or entity doing business with the Illinois Racing
14 Board.

15 (g) Abuse of Position. A Board member, member of the
16 Nomination Panel, Director of Gaming Enforcement, or employee
17 shall not use or attempt to use his or her official position to
18 secure, or attempt to secure, any privilege, advantage, favor,
19 or influence for himself or herself or others. No Board member,
20 member of the Nomination Panel, Director of Gaming Enforcement,
21 or employee of the Authority may attempt, in any way, to
22 influence any person or corporation doing business with the
23 Authority or any officer, agent, or employee thereof to hire or
24 contract with any person or corporation for any compensated
25 work.

26 (h) Political activity. No member of the Board, employee,

1 or the Director of Gaming Enforcement shall engage in any
2 political activity. For the purposes of this subsection,
3 "political activity" means any activity in support of or in
4 connection with any campaign for State or local elective office
5 or any political organization, but does not include activities
6 (i) relating to the support or opposition of any executive,
7 legislative, or administrative action (as those terms are
8 defined in Section 2 of the Lobbyist Registration Act), (ii)
9 relating to collective bargaining, or (iii) that are otherwise
10 in furtherance of the person's official State duties or
11 governmental and public service functions.

12 (i) A spouse, child, or parent of a Board member, the
13 Director of Gaming Enforcement, or an employee may not:

14 (1) Have a financial interest, directly or indirectly,
15 in his or her own name or in the name of any other person,
16 partnership, association, trust, corporation, or other
17 entity, in any contract or subcontract for the performance
18 of any work for the Board of any licensee. This prohibition
19 shall extend to the holding or acquisition of an interest
20 in any entity identified by Board action that, in the
21 judgment of the Board, could represent the potential for or
22 the appearance of a conflict of interest. The holding or
23 acquisition of an interest in such entities through an
24 indirect means, such as through a mutual fund, shall not be
25 prohibited, except that the Board may identify specific
26 investments or funds that, in its judgment, are so

1 influenced by gaming holdings as to represent the potential
2 for or the appearance of a conflict of interest.

3 (2) Accept any gift, gratuity, service, compensation,
4 travel, lodging, or thing of value, with the exception of
5 unsolicited items of an incidental nature, from any person,
6 corporation or entity doing business with the Board.

7 (3) Within a period of 2 years immediately after
8 termination of employment, knowingly accept employment or
9 receive compensation or fees for services from a person or
10 entity, or its parent or affiliate, that has engaged in
11 business with the Board, the Illinois Casino Development
12 Authority, the Chicago Casino Development Authority, or
13 the Office of Gaming Enforcement that resulted in contracts
14 with an aggregate value of at least \$25,000 or if the Board
15 or Office has made a decision that directly applies to the
16 person or entity, or its parent or affiliate.

17 (j) Any Board member, member of the Nomination Panel,
18 Director of Gaming Enforcement, or employee or spouse, child,
19 or parent of a Board member, member of the Nomination Panel,
20 Director of Gaming Enforcement, or employee who violates any
21 provision of this Section is guilty of a Class 4 felony.

22 (230 ILCS 10/5.7 new)

23 Sec. 5.7. Ex parte communications.

24 (a) For the purpose of this Section:

25 "Ex parte communication" means any written or oral

1 communication by any person that imparts or requests material
2 information or makes a material argument regarding potential
3 action concerning regulatory, quasi regulatory, investment, or
4 licensing matters pending before or under consideration by the
5 Illinois Gaming Board. "Ex parte communication" does not
6 include the following: (i) statements by a person publicly made
7 in a public forum; (ii) statements regarding matters of
8 procedure and practice, such as format, the number of copies
9 required, the manner of filing, and the status of a matter;
10 (iii) statements regarding recommendation for pending or
11 approved legislation; (iv) statements made by a State employee
12 of the agency to the agency head or other employees of that
13 agency.

14 "Ex parte communication" does not include conversations
15 concerning qualifications to serve on the Board or as Director
16 of Gaming Enforcement between members of the Senate and
17 nominees to the Board that occur in the time period between
18 nomination by the Governor and either confirmation or rejection
19 by the Senate.

20 "Interested party" means a person or entity whose rights,
21 privileges, or interests are the subject of or are directly
22 affected by a regulatory, quasi-adjudicatory, investment, or
23 licensing matter of the Board.

24 (b) A constitutional officer, a member of the General
25 Assembly, a special government agent as that term is defined in
26 Section 4A-101 of the Illinois Governmental Ethics Act, a

1 director, secretary, or other employee of the executive branch
2 of the State, an employee of the legislative branch of the
3 State, or an interested party may not engage in any ex parte
4 communication with a member of the Board or an employee. A
5 member of the Board or an employee must immediately report any
6 ex parte communication to the Inspector General for gaming
7 activities. A violation of this subsection (b) is a Class 4
8 felony.

9 (c) A constitutional officer, a member of the General
10 Assembly, a special government agent as that term is defined in
11 Section 4A-101 of the Illinois Governmental Ethics Act, a
12 director, secretary, or other employee of the executive branch
13 of the State, an employee of the legislative branch of the
14 State, or an interested party may not engage in any ex parte
15 communication with a nominee for the Board or a nominee for the
16 Director of Gaming Enforcement. A person is deemed a nominee
17 once they have submitted information to the nomination panel. A
18 nominee must immediately report any ex parte communication to
19 the Inspector General for gaming activities. A violation of
20 this subsection (c) is a Class 4 felony.

21 (d) Any ex parte communication from a constitutional
22 officer, a member of the General Assembly, a special government
23 agent as that term is defined in Section 4A-101 of the Illinois
24 Governmental Ethics Act, a director, secretary, or other
25 employee of the executive branch of the State, an employee of
26 the legislative branch of the State, or an interested party

1 received by a member of the Nomination Panel or employee
2 assisting the Nomination Panel must be immediately
3 memorialized and made a part of the record at the next meeting.
4 Report of the communication shall include all written
5 communications along with a statement describing the nature and
6 substance of all oral communications, any action the person
7 requested or recommended, the identity and job title of the
8 person to whom each communication was made, all responses made
9 by the member. A violation of this subsection (d) is a Class A
10 misdemeanor.

11 (e) Notwithstanding any provision of this Section, if a
12 State constitutional officer or member of the General Assembly
13 or his or her designee determines that potential or actual
14 Illinois Gaming Board, Illinois Racing Board, or Director of
15 Gaming Enforcement business would affect the health, safety,
16 and welfare of the people of the State of Illinois, then the
17 State constitutional officer or member of the General Assembly
18 may submit questions or comments by written medium to the
19 Chairman of the Illinois Gaming Board, Chairman of the Illinois
20 Racing Board, or Director of Gaming Enforcement. Upon receipt
21 of the message or question, the Chairman or Director shall
22 submit the message or question to the entire board for a vote.

23 (230 ILCS 10/6) (from Ch. 120, par. 2406)

24 Sec. 6. Application for Owners License or casino license.

25 (a) A qualified person may apply to the Board for an owners

1 license or casino license to conduct a ~~riverboat~~ gambling
2 operation as provided in this Act. The application shall be
3 made on forms provided by the Board and shall contain such
4 information as the Board prescribes, including but not limited
5 to the identity of the riverboat on which such gambling
6 operation is to be conducted and the exact location where such
7 riverboat will be docked, or the location of the casino, a
8 certification that the riverboat will be registered under this
9 Act at all times during which gambling operations are conducted
10 on board, detailed information regarding the ownership and
11 management of the applicant, and detailed personal information
12 regarding the applicant. ~~Any application for an owners license~~
13 ~~to be re-issued on or after June 1, 2003 shall also include the~~
14 ~~applicant's license bid in a form prescribed by the Board.~~
15 Information provided on the application shall be used as a
16 basis for a thorough background investigation which the Board
17 shall conduct with respect to each applicant. An incomplete
18 application shall be cause for denial of a license by the
19 Board.

20 (a-5) In addition to any other information required under
21 this Section, each application for an owners license or casino
22 license must include the following information:

23 (1) The history and success of the applicant and each
24 person and entity disclosed under subsection (c) of this
25 Section in developing tourism facilities ancillary to
26 gaming, if applicable.

1 (2) The likelihood that granting a license to the
2 applicant will lead to the creation of quality, living wage
3 jobs and permanent, full-time jobs for residents of the
4 State and residents of the unit of local government that is
5 designated as the home dock or location of the proposed
6 facility where gambling is to be conducted by the
7 applicant.

8 (3) The projected number of jobs that would be created
9 if the license is granted and the projected number of new
10 employees at the proposed facility where gambling is to be
11 conducted by the applicant.

12 (4) The record of the applicant and its developer in
13 meeting commitments to local agencies, community-based
14 organizations, and employees at other locations where the
15 applicant or its developer has performed similar functions
16 as they would perform if the applicant were granted a
17 license.

18 (5) Identification of adverse effects that might be
19 caused by the proposed facility where gambling is to be
20 conducted by the applicant, including the costs of meeting
21 increased demand for public health care, child care, public
22 transportation, affordable housing, and social services,
23 and a plan to mitigate those adverse effects.

24 (6) The record of the applicant and its developer
25 regarding compliance with:

26 (A) Federal, State, and local discrimination, wage

1 and hour, disability, and occupational and
2 environmental health and safety laws.

3 (B) State and local labor relations and employment
4 laws.

5 (7) The applicant's record in dealing with its
6 employees and their representatives at other locations.

7 (8) A plan concerning the utilization of minority
8 person-owned and female-owned businesses and concerning
9 the hiring of minority persons and females. For the
10 purposes of this item (8), the terms "minority person" and
11 "female" have the meanings provided in Section 2 of the
12 Business Enterprise for Minorities, Females, and Persons
13 with Disabilities Act.

14 Each applicant must submit evidence to the Board that
15 minority persons and females hold ownership interests in the
16 applicant of at least 20% and 5%, respectively.

17 (b) Applicants shall submit with their application all
18 documents, resolutions, and letters of support from the
19 governing body that represents the municipality or county
20 wherein the facility will be located ~~licensee will dock~~.

21 (c) Each applicant shall disclose the identity of every
22 person, association, trust or corporation having a greater than
23 1% direct or indirect pecuniary interest in the ~~riverboat~~
24 gambling operation with respect to which the license is sought.
25 If the disclosed entity is a trust, the application shall
26 disclose the names and addresses of the beneficiaries; if a

1 corporation, the names and addresses of all stockholders and
2 directors; if a partnership, the names and addresses of all
3 partners, both general and limited.

4 (d) An application shall be filed and considered in
5 accordance with the rules of the Board ~~with the Board by~~
6 ~~January 1 of the year preceding any calendar year for which an~~
7 ~~applicant seeks an owners license; however, applications for an~~
8 ~~owners license permitting operations on January 1, 1991 shall~~
9 ~~be filed by July 1, 1990. A non-refundable~~ An application fee
10 of \$250,000 ~~\$50,000~~ shall be paid at the time of filing and
11 shall be applied to the initial license fee if the application
12 is approved. ~~to defray the costs associated with the background~~
13 ~~investigation conducted by the Board. If the costs of the~~
14 ~~investigation exceed \$50,000, the applicant shall pay the~~
15 ~~additional amount to the Board. If the costs of the~~
16 ~~investigation are less than \$50,000, the applicant shall~~
17 ~~receive a refund of the remaining amount.~~ All information,
18 records, interviews, reports, statements, memoranda or other
19 data supplied to or used by the Board in the course of its
20 review or investigation of an application for a license under
21 this Act shall be privileged, strictly confidential and shall
22 be used only for the purpose of evaluating an applicant. Such
23 information, records, interviews, reports, statements,
24 memoranda or other data shall not be admissible as evidence,
25 nor discoverable in any action of any kind in any court or
26 before any tribunal, board, agency or person, except for any

1 action deemed necessary by the Board.

2 (e) (Blank). ~~The Board shall charge each applicant a fee~~
3 ~~set by the Department of State Police to defray the costs~~
4 ~~associated with the search and classification of fingerprints~~
5 ~~obtained by the Board with respect to the applicant's~~
6 ~~application. These fees shall be paid into the State Police~~
7 ~~Services Fund.~~

8 (f) The licensed owner of a riverboat gambling operation
9 shall be the person primarily responsible for the boat itself.
10 Only one riverboat gambling operation may be authorized by the
11 Board on any riverboat. The applicant must identify each
12 riverboat it intends to use and certify that the riverboat: (1)
13 has the authorized capacity required in this Act; (2) is
14 accessible to disabled persons; and (3) is fully registered and
15 licensed in accordance with any applicable laws.

16 (g) A person who knowingly makes a false statement on an
17 application is guilty of a Class A misdemeanor.

18 (Source: P.A. 93-28, eff. 6-20-03.)

19 (230 ILCS 10/7) (from Ch. 120, par. 2407)

20 Sec. 7. Owners licenses and casino licenses ~~Licenses~~.

21 (a) The Board shall issue owners licenses and casino
22 licenses to persons, firms or corporations which apply for such
23 licenses upon payment to the Board of the non-refundable
24 license fee set by the Board pursuant to this Act, ~~upon payment~~
25 ~~of a \$25,000 license fee for the first year of operation and a~~

1 ~~\$5,000 license fee for each succeeding year~~ and upon a
2 determination by the Board that the applicant is eligible for
3 an owners license pursuant to this Act and the rules of the
4 Board. For a period of 2 years beginning on the effective date
5 of this amendatory Act of the 94th General Assembly, as a
6 condition of licensure and as an alternative source of payment
7 for those funds payable under subsection (c-5) of Section 13 of
8 this ~~the Riverboat Gambling~~ Act, any owners licensee that holds
9 or receives its owners license on or after the effective date
10 of this amendatory Act of the 94th General Assembly, other than
11 an owners licensee operating a riverboat with adjusted gross
12 receipts in calendar year 2004 of less than \$200,000,000, must
13 pay into the Horse Racing Equity Trust Fund, in addition to any
14 other payments required under this Act, an amount equal to 3%
15 of the adjusted gross receipts received by the owners licensee.
16 The payments required under this Section shall be made by the
17 owners licensee to the State Treasurer no later than 3:00
18 o'clock p.m. of the day after the day when the adjusted gross
19 receipts were received by the owners licensee. A person, firm
20 or corporation is ineligible to receive an owners license if:

21 (1) the person has been convicted of a felony under the
22 laws of this State, any other state, or the United States;

23 (2) the person has been convicted of any violation of
24 Article 28 of the Criminal Code of 1961, or substantially
25 similar laws of any other jurisdiction;

26 (3) the person has submitted an application for a

1 license under this Act which contains false information;

2 (4) the person is a member of the Board;

3 (5) a person defined in (1), (2), (3) or (4) is an
4 officer, director or managerial employee of the firm or
5 corporation;

6 (6) the firm or corporation employs a person defined in
7 (1), (2), (3) or (4) who participates in the management or
8 operation of gambling operations authorized under this
9 Act;

10 (7) (blank); or

11 (8) a license of the person, firm or corporation issued
12 under this Act, or a license to own or operate gambling
13 facilities in any other jurisdiction, has been revoked.

14 (a-5) The Board shall establish annual fees for the
15 issuance or renewal of owners licenses and casino licenses,
16 except a license held by the Illinois Casino Development
17 Authority, by rule. However, the annual fees may not exceed
18 \$250,000 in any 4-year period. The issuance fee shall be based
19 upon the cost of investigation and consideration of the license
20 application and shall not be less than \$250,000.

21 (a-10) From any amounts received for the reissuance of an
22 owners license that was revoked before the effective date of
23 this amendatory Act of the 95th General Assembly, the sum of
24 \$1,750,000 shall be paid by the licensee to the County of
25 JoDaviess in recompense for expenses incurred by that unit of
26 government with respect to former riverboat operations within

1 the corporate limits of that county and the sum of \$1,750,000
2 shall be paid by the licensee to the City of East Dubuque in
3 recompense for expenses incurred by that unit of government
4 with respect to former riverboat operations within the
5 corporate limits of that municipality.

6 (b) In determining whether to grant an owners license or
7 casino license, reissue a revoked owners license or casino
8 license, or non-renew an owners license or casino license to an
9 applicant, the Board shall consider:

10 (1) the character, reputation, experience and
11 financial integrity of the applicants and of any other or
12 separate person that either:

13 (A) controls, directly or indirectly, such
14 applicant, or

15 (B) is controlled, directly or indirectly, by such
16 applicant or by a person which controls, directly or
17 indirectly, such applicant;

18 (2) the facilities or proposed facilities for the
19 conduct of ~~riverboat~~ gambling;

20 (3) the highest prospective total revenue to be derived
21 by the State from the conduct of ~~riverboat~~ gambling;

22 (4) the extent to which the ownership of the applicant
23 reflects the diversity of the State by including minority
24 persons and females and the good faith affirmative action
25 plan of each applicant to recruit, train and upgrade
26 minority persons and females in all employment

1 classifications;

2 (5) the financial ability of the applicant to purchase
3 and maintain adequate liability and casualty insurance;

4 (6) whether the applicant has adequate capitalization
5 to provide and maintain, for the duration of a license, a
6 riverboat;

7 (7) the extent to which the applicant exceeds or meets
8 other standards for the issuance of an owners license which
9 the Board may adopt by rule; and

10 (8) The amount of the applicant's license bid made
11 pursuant to Section 7.5.

12 (c) Each owners license shall specify the place where
13 riverboats shall operate and dock.

14 (d) Each applicant shall submit with his application, on
15 forms provided by the Board, 2 sets of his fingerprints.

16 (e) The Board may issue up to 11 ~~10~~ licenses authorizing
17 the holders of such licenses to own riverboats. In the
18 application for an owners license, the applicant shall state
19 the dock at which the riverboat is based and the water on which
20 the riverboat will be located. The Board shall issue 5 licenses
21 to become effective not earlier than January 1, 1991. Three of
22 such licenses shall authorize riverboat gambling on the
23 Mississippi River, or, with approval by the municipality in
24 which the riverboat was docked on August 7, 2003 and with Board
25 approval, be authorized to relocate to a new location, in a
26 municipality that (1) borders on the Mississippi River or is

1 within 5 miles of the city limits of a municipality that
2 borders on the Mississippi River and (2), on August 7, 2003,
3 had a riverboat conducting riverboat gambling operations
4 pursuant to a license issued under this Act; one of which shall
5 authorize riverboat gambling from a home dock in the city of
6 East St. Louis. One other license shall authorize riverboat
7 gambling on the Illinois River south of Marshall County. The
8 Board shall issue one additional license to become effective
9 not earlier than March 1, 1992, which shall authorize riverboat
10 gambling on the Des Plaines River in Will County. The Board may
11 issue 4 additional licenses to become effective not earlier
12 than March 1, 1992. After the 5 members of the Board are
13 appointed and qualified pursuant to this amendatory Act of the
14 95th General Assembly, the Board may issue one additional
15 riverboat license subject to the competitive bidding process
16 described in Section 7.5. The additional riverboat license
17 authorizes the conduct of gambling in a municipality that is
18 economically depressed or that is sited in an economically
19 depressed primary census statistical area, or both; however,
20 the licensee must not conduct gambling pursuant to this license
21 within 15 miles from a licensed riverboat in operation on the
22 effective date of this amendatory Act of the 95th General
23 Assembly. In determining the water upon which the riverboat
24 authorized by the additional license will operate, the Board
25 shall minimize the reduction in privilege tax revenue received
26 by the State as a result of the impact of the additional

1 license on adjusted gross receipts generated by riverboat
2 gambling conducted by licenses in effect on the date of this
3 amendatory Act of the 95th General Assembly.

4 In determining the water upon which riverboats will
5 operate, the Board shall consider the economic benefit which
6 riverboat gambling confers on the State, and shall seek to
7 assure that all regions of the State share in the economic
8 benefits of riverboat gambling.

9 In granting all licenses, the Board may give favorable
10 consideration to economically depressed areas of the State, to
11 applicants presenting plans which provide for significant
12 economic development over a large geographic area, and to
13 applicants who currently operate non-gambling riverboats in
14 Illinois; however, the Board, in issuing the one additional
15 riverboat license authorized by this amendatory Act of the 95th
16 General Assembly, must give favorable consideration to these
17 factors in granting the owners license located in a
18 municipality that is economically depressed or that is sited in
19 an economically depressed primary census statistical area, or
20 both. The Board shall review all applications for owners
21 licenses, and shall inform each applicant of the Board's
22 decision. The Board may grant an owners license or casino
23 license, except a license held by Illinois Casino Development
24 Authority, to an applicant that has not submitted the highest
25 license bid, but if it does not select the highest bidder, the
26 Board shall issue a written decision explaining why another

1 applicant was selected and identifying the factors set forth in
2 this Section that favored the winning bidder.

3 (e-5) In addition to any other revocation powers granted to
4 the Board under this Act, the Board may revoke the owners
5 license of a licensee which fails to begin conducting gambling
6 within 12 ~~15~~ months of receipt of the Board's approval of the
7 application if the Board determines that license revocation is
8 in the best interests of the State. The Board may, after
9 holding a public hearing, grant extensions so long as an owners
10 licensee is working in good faith to begin conducting gambling.
11 The extension may be for a period of 6 months. If, after the
12 period of the extension, a licensee has not begun to conduct
13 gambling, another public hearing must be held by the Board
14 before it may grant another extension.

15 (f) The ~~first 10~~ owners licenses issued under this Act
16 shall permit the holder to own the riverboat ~~up to 2 riverboats~~
17 and equipment ~~thereon~~ for a period of 3 years after the
18 effective date of the license. Holders of ~~the first 10~~ owners
19 licenses must pay the annual license fee for each of the 3
20 years during which they are authorized to conduct gambling
21 operations ~~own riverboats~~.

22 (g) Upon the termination, expiration, or revocation of each
23 owners license or casino license ~~of the first 10 licenses,~~
24 ~~which shall be issued for a 3 year period,~~ all licenses are
25 renewable for a period of 4 years, unless the Board sets a
26 shorter period, annually upon payment of the fee and a

1 determination by the Board that the licensee continues to meet
2 all of the requirements of this Act and the Board's rules.
3 ~~However, for licenses renewed on or after May 1, 1998, renewal~~
4 ~~shall be for a period of 4 years, unless the Board sets a~~
5 ~~shorter period.~~

6 (h) An owners license shall entitle the licensee to operate
7 1,200 gaming positions plus any additional positions
8 authorized and obtained under subsection (h-2) of this Section
9 or subsection (f) of Section 7.7.

10 (h-2) Beginning on the effective date of this amendatory
11 Act of the 95th General Assembly, the Board shall make an equal
12 portion of an additional 3,500 positions available to each
13 owners licensee conducting gambling operations on the
14 effective date of this amendatory Act subject to an initial fee
15 of \$40,000 per position, plus the reconciliation payment as
16 required under subsection (h-5). Within 30 days after the Board
17 offers the positions, owners licensees may apply to the Board
18 to operate any portion of their allocated positions. The
19 \$40,000 fee per position is payable in full at the time
20 positions are awarded. Any positions that are not obtained by
21 an owners licensee shall be retained by the Board and shall be
22 offered in equal amounts to owners licensees who have purchased
23 the full amount of positions offered to them. This process
24 shall continue in a timely manner until all positions have been
25 purchased. In the event that any positions remain unpurchased,
26 those positions shall first be made available in equal amounts

1 to all electronic gaming licensees under Section 7.7, subject
2 to the payment of all applicable fees. In the event that
3 positions remain unpurchased after being offered to electronic
4 gaming licensees, those positions shall be held by the Board
5 for an owners licensee that was not conducting gambling
6 operations on the effective date of this amendatory Act of the
7 95th General Assembly. All positions obtained pursuant to this
8 process must be in operation within 12 months after they were
9 obtained or the licensee forfeits the right to operate all of
10 the positions, but is not entitled to a refund of any fees
11 paid. The Board may, after holding a public hearing, grant
12 extensions so long as an organization licensee is working in
13 good faith to begin conducting electronic gaming. The extension
14 may be for a period of 6 months. If, after the period of the
15 extension, a licensee has not begun to conduct electronic
16 gaming, another public hearing must be held by the Board before
17 it may grant another extension.

18 Subject to approval by the Board, owners licensees
19 conducting gambling operations on the effective date of this
20 amendatory Act of the 95th General Assembly may make
21 modifications and additions to their facilities, including the
22 portion that sits on land, to accommodate any additional
23 positions obtained under this subsection (h-2). A minimum of
24 1,200 positions must operate on water. The positions allowed on
25 land must be located in a single structure no farther than 100
26 yards from the water-based portion of the facility. Subject to

1 approval by the Board, the positions may be placed in a
2 temporary location for up to 12 months after the positions are
3 obtained, but the Board may grant extensions as provided in
4 this subsection (h-2).

5 (h-5) An owners licensee who purchases additional
6 positions under subsection (h-2) must make a reconciliation
7 payment 4 years after the date the owners license begins
8 operating the additional positions in an amount equal to 75% of
9 the owner licensee's annual adjusted gross receipts for the
10 most lucrative 12-month period of operations within the
11 previous 4 years, minus (i) the owners licensee's annual
12 adjusted gross receipts from 2007 and (ii) an amount equal to
13 \$40,000 per additional position obtained pursuant to
14 subsection (h-2). If this calculation results in a negative
15 amount, then the owners licensee is not entitled to any
16 reimbursement of fees previously paid. This reconciliation
17 payment may be made in installments over a period of no more
18 than 5 years, subject to Board approval. ~~own up to 2~~
19 riverboats.

20 ~~A licensee shall limit the number of gambling participants~~
21 ~~to 1,200 for any such owners license. A licensee may operate~~
22 ~~both of its riverboats concurrently, provided that the total~~
23 ~~number of gambling participants on both riverboats does not~~
24 ~~exceed 1,200. Riverboats licensed to operate on the Mississippi~~
25 ~~River and the Illinois River south of Marshall County shall~~
26 ~~have an authorized capacity of at least 500 persons. Any other~~

1 ~~riverboat licensed under this Act shall have an authorized~~
2 ~~capacity of at least 400 persons.~~

3 (i) An owners licensee or casino licensee ~~A licensed owner~~
4 is authorized to apply to the Board for and, if approved
5 therefor, to receive all licenses from the Board necessary for
6 the operation of a licensed facility ~~riverboat~~, including a
7 liquor license, a license to prepare and serve food for human
8 consumption, and other necessary licenses. All use, occupation
9 and excise taxes which apply to the sale of food and beverages
10 in this State and all taxes imposed on the sale or use of
11 tangible personal property apply to such sales in a licensed
12 facility ~~aboard the riverboat.~~

13 (j) The Board may issue or re-issue a license authorizing a
14 riverboat to dock in a municipality or approve a relocation
15 under Section 11.2 only if, prior to the issuance or
16 re-issuance of the license or approval, the governing body of
17 the municipality in which the riverboat will dock has by a
18 majority vote approved the docking of riverboats in the
19 municipality. The Board may issue or re-issue a license
20 authorizing a riverboat to dock in areas of a county outside
21 any municipality or approve a relocation under Section 11.2
22 only if, prior to the issuance or re-issuance of the license or
23 approval, the governing body of the county has by a majority
24 vote approved of the docking of riverboats within such areas.

25 (Source: P.A. 93-28, eff. 6-20-03; 93-453, eff. 8-7-03; 94-667,
26 eff. 8-23-05; 94-804, eff. 5-26-06.)

1 (230 ILCS 10/7.3)

2 Sec. 7.3. State conduct of riverboat gambling operations.

3 (a) If, after reviewing each application for a re-issued
4 owners license, the Board determines that the highest
5 prospective total revenue to the State would be derived from
6 State conduct of the gambling operation in lieu of re-issuing
7 the license, the Board shall inform each applicant of its
8 decision. The Board shall thereafter have the authority,
9 without obtaining an owners license, to conduct riverboat
10 gambling operations as previously authorized by the
11 terminated, expired, revoked, or nonrenewed license through a
12 licensed manager selected pursuant to an open and competitive
13 bidding process as set forth in Section 7.5 and as provided in
14 Section 7.4.

15 (b) The Board may locate any riverboat on which a gambling
16 operation is conducted by the State in any home dock location
17 authorized by Section 3(c) upon receipt of approval from a
18 majority vote of the governing body of the municipality or
19 county, as the case may be, in which the riverboat will dock.

20 (c) The Board shall have jurisdiction over and shall
21 supervise all gambling operations conducted by the State
22 provided for in this Act and shall have all powers necessary
23 and proper to fully and effectively execute the provisions of
24 this Act relating to gambling operations conducted by the
25 State.

1 (d) The maximum number of owners licenses authorized under
2 Section 7(e) shall be reduced by one for each instance in which
3 the Board authorizes the State to conduct a riverboat gambling
4 operation under subsection (a) in lieu of re-issuing a license
5 to an applicant under Section 7.1.

6 (Source: P.A. 93-28, eff. 6-20-03.)

7 (230 ILCS 10/7.4)

8 Sec. 7.4. Managers licenses.

9 (a) A qualified person may apply to the Board for a
10 managers license to operate and manage any gambling operation
11 conducted by the State. The application shall be made on forms
12 provided by the Board and shall contain such information as the
13 Board prescribes, including but not limited to information
14 required in Sections 6(a), (b), and (c) and information
15 relating to the applicant's proposed price to manage State
16 gambling operations and to provide the riverboat, gambling
17 equipment, and supplies necessary to conduct State gambling
18 operations.

19 (b) (Blank). ~~Each applicant must submit evidence to the~~
20 ~~Board that minority persons and females hold ownership~~
21 ~~interests in the applicant of at least 16% and 4%,~~
22 ~~respectively.~~

23 (c) A person, firm, or corporation is ineligible to receive
24 a managers license if:

25 (1) the person has been convicted of a felony under the

1 laws of this State, any other state, or the United States;

2 (2) the person has been convicted of any violation of
3 Article 28 of the Criminal Code of 1961, or substantially
4 similar laws of any other jurisdiction;

5 (3) the person has submitted an application for a
6 license under this Act which contains false information;

7 (4) the person is a member of the Board;

8 (5) a person defined in (1), (2), (3), or (4) is an
9 officer, director, or managerial employee of the firm or
10 corporation;

11 (6) the firm or corporation employs a person defined in
12 (1), (2), (3), or (4) who participates in the management or
13 operation of gambling operations authorized under this
14 Act; or

15 (7) a license of the person, firm, or corporation
16 issued under this Act, or a license to own or operate
17 gambling facilities in any other jurisdiction, has been
18 revoked.

19 (d) Each applicant shall submit with his or her
20 application, on forms prescribed by the Board, 2 sets of his or
21 her fingerprints.

22 (e) The Board shall charge each applicant a fee, set by the
23 Board, to defray the costs associated with the background
24 investigation conducted by the Board.

25 (f) A person who knowingly makes a false statement on an
26 application is guilty of a Class A misdemeanor.

1 (g) The managers license shall be for a term not to exceed
2 10 years, shall be renewable at the Board's option, and shall
3 contain such terms and provisions as the Board deems necessary
4 to protect or enhance the credibility and integrity of State
5 gambling operations, achieve the highest prospective total
6 revenue to the State, and otherwise serve the interests of the
7 citizens of Illinois.

8 (h) Issuance of a managers license shall be subject to an
9 open and competitive bidding process. The Board may select an
10 applicant other than the lowest bidder by price. If it does not
11 select the lowest bidder, the Board shall issue a notice of who
12 the lowest bidder was and a written decision as to why another
13 bidder was selected.

14 (Source: P.A. 93-28, eff. 6-20-03.)

15 (230 ILCS 10/7.5)

16 Sec. 7.5. Competitive Bidding. When the Board issues or
17 re-issues an owners license authorized under Section 7,
18 ~~determines that it will re issue an owners license pursuant to~~
19 ~~an open and competitive bidding process, as set forth in~~
20 ~~Section 7.1, or~~ that it will issue a managers license pursuant
21 to an open and competitive bidding process, as set forth in
22 Section 7.4, or determines that it will issue a casino license
23 under Section 7.11a of this Act to a private entity, the open
24 and competitive bidding process shall adhere to the following
25 procedures:

1 (1) The Board shall make applications for owners, casino,
2 and managers licenses available to the public and allow a
3 reasonable time for applicants to submit applications to the
4 Board.

5 (2) During the filing period for owners, casino, or
6 managers license applications, the Board may retain the
7 services of an investment banking firm to assist the Board in
8 conducting the open and competitive bidding process.

9 (3) After receiving all of the bid proposals, the Board
10 shall open all of the proposals in a public forum and disclose
11 the prospective owners or managers names, venture partners, if
12 any, and, in the case of applicants for owners licenses, the
13 locations of the proposed development sites.

14 (4) The Board shall summarize the terms of the proposals
15 and may make this summary available to the public.

16 (5) The Board shall evaluate the proposals within a
17 reasonable time and select no more than 3 final applicants to
18 make presentations of their proposals to the Board.

19 (6) The final applicants shall make their presentations to
20 the Board on the same day during an open session of the Board.

21 (7) As soon as practicable after the public presentations
22 by the final applicants, the Board, in its discretion, may
23 conduct further negotiations among the 3 final applicants.
24 During such negotiations, each final applicant may increase its
25 license bid or otherwise enhance its bid proposal. At the
26 conclusion of such negotiations, the Board shall select the

1 winning proposal. In the case of negotiations for an owners
2 license, the Board may, at the conclusion of such negotiations,
3 make the determination allowed under Section 7.3(a).

4 (8) Upon selection of a winning bid, the Board shall
5 evaluate the winning bid within a reasonable period of time for
6 licensee suitability in accordance with all applicable
7 statutory and regulatory criteria.

8 (9) If the winning bidder is unable or otherwise fails to
9 consummate the transaction, (including if the Board determines
10 that the winning bidder does not satisfy the suitability
11 requirements), the Board may, on the same criteria, select from
12 the remaining bidders or make the determination allowed under
13 Section 7.3(a).

14 (Source: P.A. 93-28, eff. 6-20-03.)

15 (230 ILCS 10/7.7 new)

16 Sec. 7.7. Electronic gaming.

17 (a) The General Assembly finds that the horse racing and
18 riverboat gambling industries share many similarities and
19 collectively comprise the bulk of the State's gaming industry.
20 One feature in common to both industries is that each is highly
21 regulated by the State of Illinois.

22 The General Assembly further finds, however, that despite
23 their shared features each industry is distinct from the other
24 in that horse racing is and continues to be intimately tied to
25 Illinois' agricultural economy and is, at its core, a spectator

1 sport. This distinction requires the General Assembly to
2 utilize different methods to regulate and promote the horse
3 racing industry throughout the State.

4 The General Assembly finds that in order to promote live
5 horse racing as a spectator sport in Illinois and the
6 agricultural economy of this State, it is necessary to allow
7 electronic gaming at Illinois race tracks given the success of
8 other states in increasing live racing purse accounts and
9 improving the quality of horses participating in horse race
10 meetings.

11 The General Assembly finds, however, that even though the
12 authority to conduct electronic gaming is a uniform means to
13 improve live horse racing in this State, electronic gaming must
14 be regulated and implemented differently in southern Illinois
15 versus the Chicago area. The General Assembly finds that
16 Fairmount Park is the only race track operating on a year-round
17 basis that offers live racing and for that matter only conducts
18 live thoroughbred racing. The General Assembly finds that the
19 current state of affairs deprives spectators and standardbred
20 horsemen residing in southern Illinois of the opportunity to
21 participate in live standardbred racing in a manner similar to
22 spectators, thoroughbred horsemen, and standardbred horsemen
23 residing in the Chicago area. The General Assembly declares
24 that southern Illinois spectators and standardbred horsemen
25 are entitled to have a similar opportunity to participate in
26 live standardbred racing as spectators in the Chicago area. The

1 General Assembly declares that in order to remove this
2 disparity between southern Illinois and the Chicago area, it is
3 necessary for the State to mandate standardbred racing
4 throughout the State by tying the authorization to conduct
5 electronic gaming to a commitment to conduct at least 25 days
6 of standardbred racing in any county in which an organization
7 licensee is operating.

8 (b) The Board shall award one electronic gaming license to
9 each organization licensee under the Illinois Horse Racing Act
10 of 1975, subject to application and eligibility requirements of
11 this Act, including the payment of all applicable fees.

12 (c) As soon as practical after the effective date of this
13 amendatory Act of the 95th General Assembly, the Board may
14 authorize up to 3,600 aggregate electronic gambling positions
15 statewide as provided in this Section. The authority to operate
16 positions under this Section shall be allocated as follows:

17 (1) The organization licensee operating at Arlington
18 Park Race Course may operate up to 1,100 gaming positions
19 at a time;

20 (2) The organization licensees operating at Hawthorne
21 Race Course, including the organization licensee formerly
22 operating at Sportsman's Park, may collectively operate up
23 to 900 gaming positions at a time;

24 (3) The organization licensee operating at Balmoral
25 Park may operate up to 300 gaming positions at a time;

26 (4) The organization licensee operating at Maywood

1 Park may operate up to 800 gaming positions at a time; and

2 (5) The organization licensee operating at Fairmount

3 Park may operate up to 500 gaming positions at a time.

4 (d) Any positions that are not obtained by an organization
5 licensee shall be retained by the Gaming Board and shall be
6 offered in equal amounts to electronic gaming licensees who
7 have purchased all of the positions that were offered. This
8 process shall continue until all positions have been purchased.

9 All positions obtained pursuant to this process must be in
10 operation within 12 months after they were obtained or the
11 electronic gaming licensee forfeits the right to operate all of
12 the positions, but is not entitled to a refund of any fees
13 paid. The Board may, after holding a public hearing, grant
14 extensions so long as an gaming licensee is working in good
15 faith to begin conducting electronic gaming. The extension may
16 be for a period of 6 months. If, after the period of the
17 extension, a licensee has not begun to conduct electronic
18 gaming, another public hearing must be held by the Board before
19 it may grant another extension.

20 (e) In the event that any positions remain unpurchased,
21 those positions shall first be made available in equal amounts
22 to owners licensees conducting gambling operations on the
23 effective date of this amendatory Act of the 95th General
24 Assembly under subsection (h-2) of Section 7, subject to the
25 payment of all applicable fees. In the event the positions
26 remain unpurchased after being offered to owners licensees

1 conducting gambling operations on the effective date of this
2 amendatory Act of the 95th General Assembly, those positions
3 shall be held by the Board for any owners licensee that was not
4 conducting gambling operations on the effective date of this
5 amendatory Act.

6 (f) The Gaming Board shall determine hours of operation for
7 electronic gaming facilities by rule.

8 (g) To be eligible to conduct electronic gaming, an
9 organization licensee must (i) obtain an electronic gaming
10 license, (ii) hold an organization license under the Illinois
11 Horse Racing Act of 1975, (iii) hold an inter-track wagering
12 license, (iv) pay an initial fee of \$40,000 for each position
13 it is authorized to operate, plus make the reconciliation
14 payment required under subsection (i), (v) meet the live racing
15 requirements set forth in Section 20 of the Illinois Horse
16 Racing Act of 1975, and (vi) meet all other requirements of
17 this Act that apply to owners licensees. The \$40,000 fee per
18 position is payable in full at the time the positions are
19 awarded.

20 (h) Each organization licensee who obtains electronic
21 gaming positions must make a reconciliation payment 4 years
22 after the date the electronic gaming licensee begins operating
23 the positions in an amount equal to 75% of the net adjusted
24 gross receipts from electronic gaming for the most lucrative
25 12-month period of operations, minus an amount equal to \$40,000
26 per electronic gaming position. If this calculation results in

1 a negative amount, then the electronic gaming licensee is not
2 entitled to any reimbursement of fees previously paid. This
3 reconciliation payment may be made in installments over a
4 period of no more than 5 years, subject to Board approval. For
5 the purpose of this subsection (h), "net adjusted gross
6 receipts" has the same meaning as that term is given in
7 subsection (a-6) of Section 13.

8 (i) For each calendar year after 2007 in which an
9 electronic gaming licensee requests a number of racing days
10 under its organization license that is less than 90% of the
11 number of days of live racing it was awarded in 2007, the
12 electronic gaming licensee may not conduct electronic gaming.

13 (j) In any calendar year that an organization licensee with
14 an electronic gaming license conducts fewer races than they
15 were awarded in that calendar year, except for the reasons
16 specified in subsection (e-3) of Section 20 of the Illinois
17 Horse Racing Act of 1975, the revenues retained by the
18 electronic gaming licensee from electronic gaming on the days
19 when racing was awarded and did not occur will be split evenly
20 between that organization licensee's purse account and the
21 Racing Industry Worker's Trust Fund.

22 (k) Subject to the approval of the Illinois Gaming Board
23 and the Illinois Racing Board, an electronic gaming licensee
24 may make any temporary or permanent modification or additions
25 to any existing or new buildings and structures. No
26 modifications or additions shall alter the grounds of the

1 organization licensee such that the act of live racing is an
2 ancillary activity to electronic gaming.

3 Electronic gaming may take place in existing structures
4 where inter-track wagering is conducted at the race track or a
5 facility within 300 yards of the race track in accordance with
6 the provisions of this Act and the Illinois Horse Racing Act of
7 1975. Any electronic gaming conducted at a facility within 300
8 yards of the race track in accordance with this Act and the
9 Illinois Horse Racing Act of 1975 shall have an all-weather
10 egress connecting the electronic gaming facility and the race
11 track facility.

12 The electronic gambling facility must be distinctly
13 separate from the other areas of the racetrack to prohibit the
14 entrance of persons under 21 years of age and for the purpose
15 of tracking admissions to the electronic gambling facility to
16 comply with the admissions taxes under the Illinois Horse
17 Racing Act of 1975 and this Act.

18 (l) An electronic gaming licensee may conduct electronic
19 gaming at a temporary facility pending the construction of a
20 permanent facility or the remodeling of an existing facility to
21 accommodate electronic gaming participants for up to 12 months
22 after receiving an electronic gaming license. The Board may
23 grant extensions as provided in subsection (d) of this Section.

24 (m) The Illinois Gaming Board may adopt emergency rules in
25 accordance with Section 5-45 of the Illinois Administrative
26 Procedure Act as necessary to ensure compliance with the

1 provisions of this amendatory Act of the 95th General Assembly
2 concerning electronic gaming. The adoption of emergency rules
3 authorized by this subsection (m) shall be deemed to be
4 necessary for the public interest, safety, and welfare.

5 (n) As soon as practical after a request is made by the
6 Illinois Gaming Board, to minimize duplicate submissions by the
7 applicant, the Illinois Racing Board must provide information
8 on an applicant for an electronic gaming license to the
9 Illinois Gaming Board.

10 (o) The electronic gaming licenses issued under this Act
11 shall permit the holder to own the licensed facility and
12 equipment for a period of 3 years after the effective date of
13 the license. Holders of electronic gaming licenses must pay the
14 annual license fee for each of the 3 years during which they
15 are authorized to conduct gambling operations.

16 (p) Upon the termination, expiration, or revocation of each
17 electronic gaming license, all licenses are renewable for a
18 period of 4 years, unless the Board sets a shorter period, upon
19 payment of the fee and a determination by the Board that the
20 licensee continues to meet all of the requirements of this Act
21 and the Board's rules.

22 (230 ILCS 10/7.8 new)

23 Sec. 7.8. Home rule. The regulation and licensing of
24 electronic gaming and electronic gaming licensees are
25 exclusive powers and functions of the State. A home rule unit

1 may not regulate or license electronic gaming or electronic
2 gaming licensees. This Section is a denial and limitation of
3 home rule powers and functions under subsection (h) of Section
4 6 of Article VII of the Illinois Constitution.

5 (230 ILCS 10/7.10 new)

6 Sec. 7.10. Electronic poker.

7 (a) A gaming licensee may apply to the Board for
8 authorization to operate up to 100 electronic poker positions
9 at its licensed facility. The authorization that the Board
10 issues to the gaming licensee shall specify the number of
11 electronic poker positions the gaming licensee may operate,
12 which shall not be counted against the limit on the number of
13 gaming positions under this Act.

14 (b) The Board must adopt rules for the authorization and
15 administration of the conduct of electronic poker.

16 (230 ILCS 10/7.11 new)

17 Sec. 7.11. Casino license. Upon approval of the Authority
18 Board and the casino operator licensee, the Illinois Gaming
19 Board shall issue a casino license to the Authority that
20 authorizes the conduct of gambling operations in a land-based
21 facility located in the City of Chicago. A casino license shall
22 authorize the holder to operate 4,000 gaming positions. The
23 Illinois Gaming Board shall assess a license fee of
24 \$200,000,000, plus (i) \$300,000,000 or (ii) 50% of the total

1 amount received by the Authority pursuant to a bid for a casino
2 management contract or an executed casino management contract
3 as authorized under the Chicago Casino Development Authority
4 Act, whichever is greater. The Board shall deposit the license
5 fee into the Illinois Works Fund.

6 In granting any license authorizing the conduct of gambling
7 operations in a casino, the Illinois Gaming Board shall
8 determine the fitness of the licensee to hold the license in
9 the same manner as any other license under this Act. If the
10 license is held by the Authority, the Illinois Gaming Board
11 shall have the same authority over that licensee as any other
12 licensee under this Act.

13 (230 ILCS 10/7.11a new)

14 Sec. 7.11a. Casino license. If, after conducting the study
15 in subsection (h) of Section 5, the Board determines that State
16 conduct of gambling is in the best interest of the State, then
17 upon approval of the State Casino Development Board and the
18 State casino operator licensee, the Illinois Gaming Board shall
19 issue a casino license to the State Authority that authorizes
20 the conduct of gambling operations in a casino in this State,
21 which shall be the State casino license. If, after conducting
22 the study in subsection (h) of Section 5, the Board determines
23 that State conduct of gambling is not in the best interest of
24 this State, then the Board shall issue a casino license through
25 a competitive bidding process to a private entity as set forth

1 in Section 7.5 of this Act. Application for the license shall
2 be as set forth in Section 6 of this Act. A casino license
3 issued under this Section shall authorize the holder to operate
4 1,200 gaming positions. The Board shall have the same authority
5 over the State Authority as any other licensee.

6 The Board may locate any casino in which a gambling
7 operation is conducted by the State in any location upon
8 receipt of approval from a majority vote of the governing body
9 of the municipality or county, as the case may be, in which the
10 casino will be located.

11 (230 ILCS 10/7.12 new)

12 Sec. 7.12. Casino operator license or State casino operator
13 license.

14 (a) A qualified person may apply to the Board for a casino
15 operator license or State casino operator license to operate
16 and manage any gambling operation conducted by the Authority or
17 State Authority. The application shall be made on forms
18 provided by the Board and shall contain such information as the
19 Board prescribes, including but not limited to information
20 required in Sections 6(a), (b), and (c) and information
21 relating to the applicant's proposed price to manage the
22 Authority's or State Authority's gambling operations and to
23 provide the casino, gambling equipment, and supplies necessary
24 to conduct gambling operations.

25 (b) A person, firm, or corporation is ineligible to receive

1 a casino operator license or State casino operator license if:

2 (1) the person has been convicted of a felony under the
3 laws of this State, any other state, or the United States;

4 (2) the person has been convicted of any violation of
5 Article 28 of the Criminal Code of 1961, or substantially
6 similar laws of any other jurisdiction;

7 (3) the person has submitted an application for a
8 license under this Act that contains false information;

9 (4) the person is a member of the Board;

10 (5) a person defined in (1), (2), (3), or (4) is an
11 officer, director, or managerial employee of the firm or
12 corporation;

13 (6) the firm or corporation employs a person defined in
14 (1), (2), (3), or (4) who participates in the management or
15 operation of gambling operations authorized under this
16 Act; or

17 (7) a license of the person, firm, or corporation
18 issued under this Act, or a license to own or operate
19 gambling facilities in any other jurisdiction, has been
20 revoked.

21 (c) In determining whether to grant a casino operator
22 license or State casino operator license, the Board shall
23 consider:

24 (1) the character, reputation, experience and
25 financial integrity of the applicants and of any other or
26 separate person that either:

1 (A) controls, directly or indirectly, such
2 applicant, or

3 (B) is controlled, directly or indirectly, by such
4 applicant or by a person which controls, directly or
5 indirectly, such applicant;

6 (2) the facilities or proposed facilities for the
7 conduct of gambling;

8 (3) the highest prospective total revenue to be derived
9 by the State from the conduct of gambling;

10 (4) the extent to which the ownership of the applicant
11 reflects the diversity of the State by including minority
12 persons and females and the good faith affirmative action
13 plan of each applicant to recruit, train, and upgrade
14 minority persons and females in all employment
15 classifications;

16 (5) the financial ability of the applicant to purchase
17 and maintain adequate liability and casualty insurance;

18 (6) whether the applicant has adequate capitalization
19 to provide and maintain, for the duration of a license, a
20 casino; and

21 (7) the extent to which the applicant exceeds or meets
22 other standards for the issuance of a managers license that
23 the Board may adopt by rule.

24 (d) Each applicant shall submit with his or her
25 application, on forms prescribed by the Board, 2 sets of his or
26 her fingerprints.

1 (e) The Board shall charge each applicant a fee, set by the
2 Board, to defray the costs associated with the background
3 investigation conducted by the Office of Gaming Enforcement.

4 (f) A person who knowingly makes a false statement on an
5 application is guilty of a Class A misdemeanor.

6 (g) The casino operator license or State casino operator
7 license shall be issued only upon proof that it has entered
8 into a labor peace agreement with each labor organization that
9 is actively engaged in representing and attempting to represent
10 casino and hospitality industry workers in this State. The
11 labor peace agreement must be a valid and enforceable agreement
12 under 29 U.S.C. 185 that protects the city's and State's
13 revenues from the operation of the casino facility by
14 prohibiting the labor organization and its members from
15 engaging in any picketing, work stoppages, boycotts, or any
16 other economic interference with the casino facility for at
17 least the first 5 years of the casino license and must cover
18 all operations at the casino facility that are conducted by
19 lessees or tenants or under management agreements.

20 (h) The casino operator license or State casino operator
21 license shall be for a term not to exceed 10 years, shall be
22 renewable at the Board's option, and shall contain such terms
23 and provisions as the Board deems necessary to protect or
24 enhance the credibility and integrity of State gambling
25 operations, achieve the highest prospective total revenue to
26 the State, and otherwise serve the interests of the citizens of

1 Illinois.

2 (230 ILCS 10/7.14 new)

3 Sec. 7.14. Obligations of licensure; licensure is a
4 privilege.

5 (a) All licensees under this Act have a continuing duty to
6 maintain suitability for licensure. A license does not create a
7 property right, but is a revocable privilege granted by the
8 State contingent upon continuing suitability for licensure.

9 (b) Licensees under this Act shall have a continuing,
10 affirmative duty to investigate the backgrounds of its
11 principal shareholders and officers.

12 (c) An applicant for licensure under this Act is seeking a
13 privilege and assumes and accepts any and all risk of adverse
14 publicity, notoriety, embarrassment, criticism, or other
15 action or financial loss which may occur in connection with the
16 application process. Any misrepresentation or omission made
17 with respect to an application may be grounds for denial of the
18 application.

19 (230 ILCS 10/7.15 new)

20 Sec. 7.15. Undue economic concentration.

21 (a) In addition to considering all other requirements under
22 this Act, in deciding whether to approve direct or indirect
23 ownership or control of a gaming license, the Board shall
24 consider the impact of any economic concentration of the

1 ownership or control. No direct or indirect ownership or
2 control shall be approved and no gaming license shall be issued
3 or transferred to or held by any person or entity if the Board
4 determines that approval, issuance, transfer, or holding shall
5 result in undue economic concentration in the direct or
6 indirect ownership or control of gambling operations in
7 Illinois. However, under no circumstances shall the geographic
8 location of any gaming license be a factor in determining
9 whether an undue economic concentration exists.

10 (b) For the purposes of this Section, "undue economic
11 concentration" means that a person or entity would have actual
12 or potential domination of gambling in Illinois sufficient to:

13 (1) substantially impede or suppress competition among
14 holders of gaming licenses;

15 (2) adversely impact the economic stability of the
16 gaming industry in Illinois; or

17 (3) negatively impact the purposes of this Act,
18 including tourism, economic development, benefits to local
19 communities, and State and local revenues.

20 (c) In determining whether the issuance, transfer, or
21 holding, directly or indirectly, of a gaming license shall
22 result in undue economic concentration, the Board shall
23 consider the following criteria:

24 (1) The percentage share of the market presently owned
25 or controlled by a person or entity, directly or
26 indirectly, in each of the following categories:

1 (A) The total number of licensed facilities in
2 Illinois.

3 (B) Total gaming square footage.

4 (C) Number of persons employed in the gambling
5 operation and any affiliated hotel operation.

6 (D) Number of guest rooms in an affiliated hotel.

7 (E) Number of electronic gaming devices.

8 (F) Number of table games.

9 (G) Net revenue and adjusted gross receipts.

10 (H) Table win.

11 (I) Electronic gaming device win.

12 (J) Table drop.

13 (K) Electronic gaming device drop.

14 (2) The estimated increase in the market shares in the
15 categories in item (1) of this subsection (c) if the person
16 or entity is approved, or is issued or permitted to hold
17 the gaming license.

18 (3) The relative position of other persons or entities
19 that own or control gaming licenses in Illinois, as
20 evidenced by the market shares of each gaming license in
21 the categories in item (1) of this subsection (c).

22 (4) The current and projected financial condition of
23 the gaming industry.

24 (5) Current market conditions, including level of
25 competition, consumer demand, market concentration, and
26 any other relevant characteristics of the market.

1 (6) Whether the gaming licenses to be issued,
2 transferred or held, directly or indirectly, by the person
3 or entity have separate organizational structures or other
4 independent obligations.

5 (7) The potential impact on the projected future growth
6 and development of the gambling industry, the local
7 communities in which gaming licenses are located, and the
8 State of Illinois.

9 (8) The barriers to entry into the gambling industry,
10 including the licensure requirements of this Act and its
11 rules, and whether the issuance or transfer to, or holding,
12 directly or indirectly, of, a gaming license by the person
13 or entity will operate as a barrier to new companies and
14 individuals desiring to enter the market.

15 (9) Whether the issuance or transfer to or holding,
16 directly or indirectly, of the gaming license by the person
17 or entity will adversely impact on consumer interests, or
18 whether such issuance, transfer or holding is likely to
19 result in enhancing the quality and customer appeal of
20 products and services offered by licensed facilities in
21 order to maintain or increase their respective market
22 shares.

23 (10) Whether a restriction on the issuance or transfer
24 of a gaming license to, or holding, directly or indirectly,
25 of, an additional gaming license by the person is necessary
26 in order to encourage and preserve competition in casino

1 operations.

2 (11) Any other information deemed relevant by the
3 Board.

4 (d) A current licensee may bid on any license awarded after
5 the effective date of this amendatory Act of the 95th General
6 Assembly; provided however, if the Board determines issuance of
7 the license will result in undue economic concentration, the
8 Board may require the licensee to divest holdings in a current
9 license as a condition of granting a license. The Board may
10 also require a licensee to divest holdings in a current license
11 if the licensee acquires an additional license through transfer
12 or sale.

13 (230 ILCS 10/7.25 new)

14 Sec. 7.25. Diversity program.

15 (a) Each gaming licensee and suppliers licensee shall
16 establish and maintain a diversity program to ensure
17 non-discrimination in the award and administration of
18 contracts. The programs shall establish goals of awarding not
19 less than 25% of the annual dollar value of all contracts,
20 purchase orders, or other agreements to minority owned
21 businesses and 5% of the annual dollar value of all contracts
22 to female owned businesses.

23 (b) Each gaming licensee shall establish and maintain a
24 diversity program designed to promote equal opportunity for
25 employment. The program shall establish hiring goals as the

1 Board and each licensee determines appropriate. The Board shall
2 monitor the progress of the gaming licensees' progress with
3 respect to the program's goals.

4 (c) No later than May 31st of each year each licensee shall
5 report to the Board the number of respective employees and the
6 number of their respective employees who have designated
7 themselves as members of a minority group and gender. In
8 addition, all licensees shall submit a report with respect to
9 the minority owned and female owned businesses program created
10 in this Section to the Board.

11 (d) There is created the Diversity Program Commission. The
12 Commission shall consist of 2 members appointed by the
13 Governor, 2 members appointed by the President of the Senate, 2
14 members appointed by the Minority Leader of the Senate, 2
15 members appointed by the Speaker of the House of
16 Representatives, and 2 members appointed by the Minority leader
17 of the House of Representatives. Within 2 years after the
18 members of the Commission are appointed, the Commission shall
19 file a report with the Illinois Gaming Board, the General
20 Assembly, and the Governor regarding the status of minority and
21 female participation in gaming investment opportunities. The
22 report shall focus on all of the following topics:

23 (1) The percentage of minorities and females that
24 currently reside in Illinois.

25 (2) The history of discrimination against minorities
26 and females within the gaming industry in Illinois.

1 (3) The availability of ready, willing, and able
2 minorities and females in Illinois to invest in gaming
3 operations within the State.

4 (4) The current amount of gaming investment throughout
5 Illinois by minorities and females.

6 (5) The need throughout the State to remedy past
7 discrimination practices regarding investment
8 opportunities for these groups.

9 (6) Other facts and statistical data to support the
10 need for remedial measures as a result of historical
11 exclusion of these groups within the gaming industry.

12 (230 ILCS 10/7.30 new)

13 Sec. 7.30. Electronic gaming license transfer fee.

14 (a) An electronic gaming licensee or any other person must
15 apply for and receive the Illinois Gaming Board's approval
16 before:

17 (1) an electronic gaming license is transferred, sold,
18 or purchased; or

19 (2) a voting trust agreement or other similar agreement
20 is established with respect to the electronic gaming
21 license.

22 (b) The Illinois Gaming Board shall adopt rules governing
23 the procedure an electronic gaming licensee or other person
24 must follow to take an action under subsection (a) and (d). The
25 rules must specify that a person who obtains an ownership

1 interest in an electronic gaming license must meet the criteria
2 of this Act and comply with all applicable rules adopted by the
3 Illinois Gaming Board. A licensee may transfer an electronic
4 gaming license only in accordance with this Act and the rules
5 adopted by the Illinois Gaming Board.

6 (c) Except in compliance with rules adopted by the Illinois
7 Gaming Board, which shall not prohibit holders of electronic
8 gaming licenses or the parent companies of any such holders
9 from borrowings for the purpose of developing a gaming
10 investment nor, with respect to any public company, borrowings
11 at the parent level for general corporate purposes consistent
12 with past practices, in each case in the event such borrowings
13 are secured generally by substantially all of the assets of
14 holders or their parent companies, a person may not lease,
15 hypothecate, or borrow or loan money against an electronic
16 gaming license.

17 (d) Except as provided in subsection (e), a transfer fee is
18 imposed on an initial licensee who sells or otherwise
19 relinquishes an interest in an electronic gaming license in an
20 amount equal to the lesser for 20% of the net proceeds received
21 or the estimated net proceeds that could have been received
22 from the gaming positions added as a result of the electronic
23 gaming license for a period of one year preceding the license
24 transfer multiplied by the percentage interest in the
25 electronic gaming license sold or the percentage interest sold
26 multiplied by the product of the original gaming positions

1 licensed times \$20,000

2 This transfer fee will no longer be due on and after the
3 fifth anniversary of the effective date of this amendatory Act
4 of the 95th General Assembly.

5 (e) The fee imposed by subsection (d) shall not apply if:

6 (1) The electronic gaming license is transferred as a
7 result of any of the following:

8 (A) Bankruptcy, a receivership, or a debt
9 adjustment initiated by or against the initial
10 licensee or the substantial owners of the initial
11 license.

12 (B) Cancellation, revocation, or termination of
13 the electronic gaming licensee's license by the
14 Illinois Gaming Board.

15 (C) A determination by the Illinois Gaming Board
16 that transfer of the license is in the best interests
17 of Illinois Gaming.

18 (D) The death of an owner of the equity interest in
19 a licensee.

20 (E) A transaction in which less than a 5% interest
21 of a publicly traded company is transferred.

22 (F) A transfer by a parent company to a wholly
23 owned subsidiary.

24 (2) The controlling interest in the electronic gaming
25 license is transferred in a transaction to lineal
26 descendants in which no gain or loss is recognized or as a

1 result of a transaction in accordance with Section 351 of
2 the Internal Revenue Code in which no gain or loss is
3 recognized.

4 (f) The transfer of an electronic gaming license by a
5 person other than the initial licensee to receive the
6 electronic gaming license is not subject to a transfer fee.

7 (230 ILCS 10/8) (from Ch. 120, par. 2408)

8 Sec. 8. Suppliers licenses.

9 (a) The Board may issue a suppliers license to such
10 persons, firms or corporations which apply therefor upon the
11 payment of a non-refundable application fee set by the Board,
12 upon a determination by the Board that the applicant is
13 eligible for a suppliers license and upon payment of a \$5,000
14 annual license fee.

15 (b) The holder of a suppliers license is authorized to sell
16 or lease, and to contract to sell or lease, gambling equipment
17 and supplies to any licensee involved in the ownership or
18 management of gambling operations.

19 (c) Gambling supplies and equipment may not be distributed
20 unless supplies and equipment conform to standards adopted by
21 rules of the Board.

22 (d) A person, firm or corporation is ineligible to receive
23 a suppliers license if:

24 (1) the person has been convicted of a felony under the
25 laws of this State, any other state, or the United States;

1 (2) the person has been convicted of any violation of
2 Article 28 of the Criminal Code of 1961, or substantially
3 similar laws of any other jurisdiction;

4 (3) the person has submitted an application for a
5 license under this Act which contains false information;

6 (4) the person is a member of the Board;

7 (5) the firm or corporation is one in which a person
8 defined in (1), (2), (3) or (4), is an officer, director or
9 managerial employee;

10 (6) the firm or corporation employs a person who
11 participates in the management or operation of riverboat
12 gambling authorized under this Act;

13 (7) the license of the person, firm or corporation
14 issued under this Act, or a license to own or operate
15 gambling facilities in any other jurisdiction, has been
16 revoked.

17 (e) Any person that supplies any equipment, devices, or
18 supplies to a gambling operation at a licensed facility
19 ~~licensed riverboat gambling operation~~ must first obtain a
20 suppliers license. A supplier shall furnish to the Board a list
21 of all equipment, devices and supplies offered for sale or
22 lease in connection with gambling ~~games~~ authorized under this
23 Act. A supplier shall keep books and records for the furnishing
24 of equipment, devices and supplies to gambling operations
25 separate and distinct from any other business that the supplier
26 might operate. A supplier shall file a quarterly return with

1 the Board listing all sales and leases. A supplier shall
2 permanently affix its name to all its equipment, devices, and
3 supplies for gambling operations. Any supplier's equipment,
4 devices or supplies which are used by any person in an
5 unauthorized gambling operation shall be forfeited to the
6 State. A gaming licensee ~~licensed owner~~ may own its own
7 equipment, devices and supplies. Each gaming licensee ~~holder of~~
8 ~~an owners license under the Act~~ shall file an annual report
9 listing its inventories of gambling equipment, devices and
10 supplies.

11 (f) Any person who knowingly makes a false statement on an
12 application is guilty of a Class A misdemeanor.

13 (g) Any gambling equipment, devices and supplies provided
14 by any licensed supplier may either be repaired at the licensed
15 facility ~~on the riverboat~~ or removed from the licensed facility
16 ~~riverboat~~ to a ~~an on shore~~ facility owned by gaming licensee
17 ~~the holder of an owners license~~ for repair.

18 (Source: P.A. 86-1029; 87-826.)

19 (230 ILCS 10/9) (from Ch. 120, par. 2409)

20 Sec. 9. Occupational licenses.

21 (a) The Board may issue an occupational license to an
22 applicant upon the payment of a non-refundable fee set by the
23 Board, upon a determination by the Board that the applicant is
24 eligible for an occupational license and upon payment of an
25 annual license fee in an amount to be established. To be

1 eligible for an occupational license, an applicant must:

2 (1) be at least 21 years of age if the applicant will
3 perform any function involved in gaming by patrons. Any
4 applicant seeking an occupational license for a non-gaming
5 function shall be at least 18 years of age;

6 (2) not have been convicted of a felony offense, a
7 violation of Article 28 of the Criminal Code of 1961, or a
8 similar statute of any other jurisdiction, or a crime
9 involving dishonesty or moral turpitude;

10 (3) have demonstrated a level of skill or knowledge
11 which the Board determines to be necessary in order to
12 operate gambling at a licensed facility or to staff a
13 Responsible Play Information Center ~~aboard a riverboat~~;
14 and

15 (4) have met standards for the holding of an
16 occupational license as adopted by rules of the Board. Such
17 rules shall provide that any person or entity seeking an
18 occupational license to manage gambling operations
19 hereunder shall be subject to background inquiries and
20 further requirements similar to those required of
21 applicants for an owners license. Furthermore, such rules
22 shall provide that each such entity shall be permitted to
23 manage gambling operations for only one licensed owner.

24 (b) Each application for an occupational license shall be
25 on forms prescribed by the Board and shall contain all
26 information required by the Board. The applicant shall set

1 forth in the application: whether he has been issued prior
2 gambling related licenses; whether he has been licensed in any
3 other state under any other name, and, if so, such name and his
4 age; and whether or not a permit or license issued to him in
5 any other state has been suspended, restricted or revoked, and,
6 if so, for what period of time.

7 (c) Each applicant shall submit with his application, on
8 forms provided by the Board, 2 sets of his fingerprints. The
9 Board shall charge each applicant a fee set by the Department
10 of State Police to defray the costs associated with the search
11 and classification of fingerprints obtained by the Board with
12 respect to the applicant's application. These fees shall be
13 paid into the State Police Services Fund.

14 (d) The Board may in its discretion refuse an occupational
15 license to any person: (1) who is unqualified to perform the
16 duties required of such applicant; (2) who fails to disclose or
17 states falsely any information called for in the application;
18 (3) who has been found guilty of a violation of this Act or
19 whose prior gambling related license or application therefor
20 has been suspended, restricted, revoked or denied for just
21 cause in any other state; or (4) for any other just cause.

22 (e) The Board may suspend, revoke or restrict any
23 occupational licensee: (1) for violation of any provision of
24 this Act; (2) for violation of any of the rules and regulations
25 of the Board; (3) for any cause which, if known to the Board,
26 would have disqualified the applicant from receiving such

1 license; or (4) for default in the payment of any obligation or
2 debt due to the State of Illinois; or (5) for any other just
3 cause.

4 (f) A person who knowingly makes a false statement on an
5 application is guilty of a Class A misdemeanor.

6 (g) Any license issued pursuant to this Section shall be
7 valid for a period of one year from the date of issuance.

8 (h) Nothing in this Act shall be interpreted to prohibit a
9 gaming licensee ~~licensed owner~~ from entering into an agreement
10 with a school approved under the Private Business and
11 Vocational Schools Act for the training of any occupational
12 licensee. Any training offered by such a school shall be in
13 accordance with a written agreement between the gaming licensee
14 ~~licensed owner~~ and the school.

15 (i) Any training provided for occupational licensees may be
16 conducted either at the licensed facility ~~on the riverboat~~ or
17 at a school with which a gaming licensee ~~licensed owner~~ has
18 entered into an agreement pursuant to subsection (h).

19 (Source: P.A. 86-1029; 87-826.)

20 (230 ILCS 10/9.3 new)

21 Sec. 9.3. License fees; deposit.

22 (a) The Board shall annually determine the annual cost of
23 maintaining control and regulatory activities contemplated by
24 this Act for each individual licensee. The Office of Gaming
25 Enforcement shall certify to the Board actual and prospective

1 costs of the investigative and enforcement functions of the
2 Office. These costs, together with the general operating
3 expenses of the Board, shall be the basis for the fee imposed
4 on each licensee. Each individual licensee's fees shall be
5 based upon disproportionate costs for each individual
6 licensee.

7 (b) Upon issuance or the first renewal of a gaming license
8 after the effective date of this amendatory Act of the 95th
9 General Assembly, a gaming licensee shall deposit \$100,000 into
10 a fund held by the Director of the Office of Gaming Enforcement
11 separate from State moneys. The moneys in the fund shall be
12 used by the Director of the Office of Gaming Enforcement for
13 the purpose of conducting any investigation concerning that
14 licensee. Upon each subsequent renewal of a gaming license, the
15 gaming licensee shall deposit the amount necessary to bring the
16 moneys in the fund attributable to that licensee to \$100,000.

17 (230 ILCS 10/9.5 new)

18 Sec. 9.5. Contractor disclosure of political
19 contributions.

20 (a) As used in this Section:

21 "Contracts" means any agreement for services or goods for a
22 period to exceed one year or with an annual value of at least
23 \$10,000.

24 "Contribution" means contribution as defined in this act.

25 "Affiliated person" means (i) any person with any ownership

1 interest or distributive share of the bidding or contracting
2 entity in excess of 1%, (ii) executive employees of the bidding
3 or contracting entity, and (iii) the spouse and minor children
4 of any such persons.

5 "Affiliated entity" means (i) any parent or subsidiary of
6 the bidding or contracting entity, (ii) any member of the same
7 unitary business group, or (iii) any political committee for
8 which the bidding or contracting entity is the sponsoring
9 entity.

10 (b) A bidder, offeror, or contractor for contracts with a
11 licensee shall disclose all political contributions of the
12 bidder, offeror, or contractor and any affiliated person or
13 entity. Such disclosure must accompany any contract. The
14 disclosure must be submitted to the Board with a copy of the
15 contract prior to Board approval of the contract. The
16 disclosure of each successful bidder or offeror shall become
17 part of the publicly available record.

18 (c) Disclosure by the bidder, offeror, or contractor shall
19 include at least the names and addresses of the contributors
20 and the dollar amounts of any contributions to any political
21 committee made within the previous 2 years.

22 (d) The Board shall refuse to approve any contract that
23 does not include the required disclosure. The Board must
24 include the disclosure on their website.

25 (e) The Board may direct a licensee to void a contract if a
26 violation of this Section occurs.

1 (230 ILCS 10/11) (from Ch. 120, par. 2411)

2 Sec. 11. Conduct of gambling. Gambling may be conducted by
3 gaming licensees at licensed facilities or in a temporary
4 location as provided in this Act. Gambling authorized under
5 this Section shall be ~~licensed owners or licensed managers on~~
6 ~~behalf of the State aboard riverboats,~~ subject to the following
7 standards:

8 (1) An owners ~~A~~ licensee may conduct riverboat gambling
9 authorized under this Act regardless of whether it conducts
10 excursion cruises. A licensee may permit the continuous
11 ingress and egress of passengers for the purpose of
12 gambling.

13 (2) (Blank).

14 (3) Minimum and maximum wagers on games shall be set by
15 the licensee.

16 (4) Agents of the Office of Gaming Enforcement Board
17 ~~and the Department of State Police~~ may board and inspect
18 any licensed facility riverboat at any time for the purpose
19 of determining whether this Act is being complied with.
20 Every riverboat, if under way and being hailed by a law
21 enforcement officer or agent of the Board, must stop
22 immediately and lay to.

23 (5) Employees of the Board or Office of Gaming
24 Enforcement shall have the right to be present at the
25 licensed facility ~~on the riverboat~~ or on adjacent

1 facilities under the control of the gaming licensee.

2 (6) Gambling equipment and supplies customarily used
3 in the conduct of ~~conducting riverboat~~ gambling must be
4 purchased or leased only from suppliers licensed for such
5 purpose under this Act.

6 (7) Persons licensed under this Act shall permit no
7 form of wagering on gambling games except as permitted by
8 this Act.

9 (8) Wagers may be received only from a person present
10 at a licensed facility ~~on a licensed riverboat~~. No person
11 present at a licensed facility ~~on a licensed riverboat~~
12 shall place or attempt to place a wager on behalf of
13 another person who is not present at the licensed facility
14 ~~on the riverboat~~.

15 (9) Wagering, including electronic gaming, shall not
16 be conducted with money or other negotiable currency.

17 (10) A person under age 21 shall not be permitted on an
18 area of a licensed facility ~~riverboat~~ where gambling is
19 being conducted, except for a person at least 18 years of
20 age who is an employee of the ~~riverboat~~ gambling operation.
21 No employee under age 21 shall perform any function
22 involved in gambling by the patrons. No person under age 21
23 shall be permitted to make a wager under this Act.

24 (11) Gambling excursion cruises are permitted only
25 when the waterway for which the riverboat is licensed is
26 navigable, as determined by the Board in consultation with

1 the U.S. Army Corps of Engineers. This paragraph (11) does
2 not limit the ability of a licensee to conduct gambling
3 authorized under this Act when gambling excursion cruises
4 are not permitted.

5 (12) All tokens, chips, or electronic cards used to
6 make wagers must be purchased (i) from an owners licensee a
7 licensed owner or manager, in the case of a riverboat,
8 either aboard the a riverboat or at an onshore facility
9 which has been approved by the Board and which is located
10 where the riverboat docks, (ii) in the case of a casino,
11 from a licensed casino operator at the casino, or (iii)
12 from an electronic gaming licensee at the electronic gaming
13 facility. The tokens, chips or electronic cards may be
14 purchased by means of an agreement under which the owner or
15 manager extends credit to the patron. Such tokens, chips or
16 electronic cards may be used while at the licensed facility
17 ~~aboard the riverboat~~ only for the purpose of making wagers
18 on gambling games and electronic poker.

19 (13) Notwithstanding any other Section of this Act, in
20 addition to the other licenses authorized under this Act,
21 the Board may issue special event licenses allowing persons
22 who are not otherwise licensed to conduct riverboat
23 gambling to conduct such gambling on a specified date or
24 series of dates. Riverboat gambling under such a license
25 may take place on a riverboat not normally used for
26 riverboat gambling. The Board shall establish standards,

1 fees and fines for, and limitations upon, such licenses,
2 which may differ from the standards, fees, fines and
3 limitations otherwise applicable under this Act. All such
4 fees shall be deposited into the State Gaming Fund. All
5 such fines shall be deposited into the Education Assistance
6 Fund, created by Public Act 86-0018, of the State of
7 Illinois.

8 (14) In addition to the above, gambling must be
9 conducted in accordance with all rules adopted by the
10 Board.

11 (Source: P.A. 93-28, eff. 6-20-03.)

12 (230 ILCS 10/11.1) (from Ch. 120, par. 2411.1)

13 Sec. 11.1. Collection of amounts owing under credit
14 agreements. Notwithstanding any applicable statutory provision
15 to the contrary, a gaming licensee ~~licensed owner or manager~~
16 who extends credit to a ~~riverboat~~ gambling patron pursuant to
17 Section 11 (a) (12) of this Act is expressly authorized to
18 institute a cause of action to collect any amounts due and
19 owing under the extension of credit, as well as the owner's or
20 manager's costs, expenses and reasonable attorney's fees
21 incurred in collection.

22 (Source: P.A. 93-28, eff. 6-20-03.)

23 (230 ILCS 10/11.2)

24 Sec. 11.2. Relocation of riverboat home dock.

1 (a) Prior to the effective date of this amendatory Act of
2 the 95th General Assembly, a ~~A~~ licensee that was not conducting
3 riverboat gambling on January 1, 1998 may apply to the Board
4 for renewal and approval of relocation to a new home dock
5 location authorized under Section 3(c) and the Board shall
6 grant the application and approval upon receipt by the licensee
7 of approval from the new municipality or county, as the case
8 may be, in which the licensee wishes to relocate pursuant to
9 Section 7(j).

10 (b) Any licensee that relocates its home dock pursuant to
11 this Section shall attain a level of at least 20% minority
12 person and female ownership, at least 16% and 4% respectively,
13 within a time period prescribed by the Board, but not to exceed
14 12 months from the date the licensee begins conducting gambling
15 at the new home dock location. The 12-month period shall be
16 extended by the amount of time necessary to conduct a
17 background investigation pursuant to Section 6. For the
18 purposes of this Section, the terms "female" and "minority
19 person" have the meanings provided in Section 2 of the Business
20 Enterprise for Minorities, Females, and Persons with
21 Disabilities Act.

22 (Source: P.A. 91-40, eff. 6-25-99.)

23 (230 ILCS 10/12) (from Ch. 120, par. 2412)

24 Sec. 12. Admission tax; fees.

25 (a) A tax is hereby imposed upon admissions to riverboats

1 and casinos operated by licensed owners and upon admissions to
2 casinos and riverboats operated by casino operators on behalf
3 of the Authority authorized pursuant to this Act. Until July 1,
4 2002, the rate is \$2 per person admitted. From July 1, 2002
5 until July 1, 2003, the rate is \$3 per person admitted. From
6 July 1, 2003 until the effective date of this amendatory Act of
7 the 94th General Assembly, for a licensee that admitted
8 1,000,000 persons or fewer in the previous calendar year, the
9 rate is \$3 per person admitted; for a licensee that admitted
10 more than 1,000,000 but no more than 2,300,000 persons in the
11 previous calendar year, the rate is \$4 per person admitted; and
12 for a licensee that admitted more than 2,300,000 persons in the
13 previous calendar year, the rate is \$5 per person admitted.
14 Beginning on August 23, 2005 (the effective date of Public Act
15 94-673) and until the effective date of this amendatory Act of
16 the 95th General Assembly ~~this amendatory Act of the 94th~~
17 ~~General Assembly~~, for a licensee that admitted 1,000,000
18 persons or fewer in calendar year 2004, the rate is \$2 per
19 person admitted, and for all other licensees the rate is \$3 per
20 person admitted. Beginning on the effective date of this
21 amendatory Act of the 95th General Assembly, for a licensee
22 that conducted riverboat gambling operations in calendar year
23 2003 and (i) admitted 1,000,000 persons or fewer in the
24 calendar year 2003, the rate is \$1 per person admitted; (ii)
25 admitted more than 1,000,000 persons but fewer than 1,500,000
26 persons, the rate is \$2 per person admitted; and (iii) admitted

1 1,500,000 persons or more, the rate is \$3 per person admitted.
2 For a licensee that receives its license under Section 7 and
3 was not conducting riverboat gambling operations in calendar
4 year 2003 and for a licensee under Section 7.11a, except for a
5 license held by the Illinois Casino Development Act, the rate
6 is \$3 per person admitted. This admission tax is imposed upon
7 the licensed owner conducting gambling.

8 (1) The admission tax shall be paid for each admission,
9 except that a person who exits a riverboat gambling
10 facility and reenters that riverboat gambling facility
11 within the same gaming day shall be subject only to the
12 initial admission tax. The Board shall establish, by rule,
13 a procedure to determine whether a person admitted to a
14 riverboat gambling facility or casino has paid the
15 admission tax.

16 (2) (Blank).

17 (3) An owners licensee and the Authority ~~The riverboat~~
18 ~~licensee~~ may issue tax-free passes to actual and necessary
19 officials and employees of the licensee or other persons
20 actually working on the riverboat or in the casino.

21 (4) The number and issuance of tax-free passes is
22 subject to the rules of the Board, and a list of all
23 persons to whom the tax-free passes are issued shall be
24 filed with the Board.

25 (a-5) A fee is hereby imposed upon admissions operated by
26 licensed managers on behalf of the State pursuant to Section

1 7.3 at the rates provided in this subsection (a-5). For a
2 licensee that admitted 1,000,000 persons or fewer in the
3 previous calendar year, the rate is \$3 per person admitted; for
4 a licensee that admitted more than 1,000,000 but no more than
5 2,300,000 persons in the previous calendar year, the rate is \$4
6 per person admitted; and for a licensee that admitted more than
7 2,300,000 persons in the previous calendar year, the rate is \$5
8 per person admitted.

9 (1) The admission fee shall be paid for each admission.

10 (2) (Blank).

11 (3) The licensed manager may issue fee-free passes to
12 actual and necessary officials and employees of the manager
13 or other persons actually working on the riverboat.

14 (4) The number and issuance of fee-free passes is
15 subject to the rules of the Board, and a list of all
16 persons to whom the fee-free passes are issued shall be
17 filed with the Board.

18 (b) From the tax imposed under subsection (a) and the fee
19 imposed under subsection (a-5), a municipality shall receive
20 from the State \$1 for each person embarking on a riverboat
21 docked within the municipality or entering a casino located
22 within the municipality, and a county shall receive \$1 for each
23 person entering a casino or embarking on a riverboat docked
24 within the county but outside the boundaries of any
25 municipality. The municipality's or county's share shall be
26 collected by the Board on behalf of the State and remitted

1 quarterly by the State, subject to appropriation, to the
2 treasurer of the unit of local government for deposit in the
3 general fund. For each admission in excess of 1,500,000 in a
4 year, from the tax imposed under this Section, the county in
5 which the licensee's home dock is located shall receive,
6 subject to appropriation, \$0.15, which shall be in addition to
7 any other moneys paid to the county under this Section.

8 (c) The licensed owner and the licensed casino operator
9 conducting gambling operations on behalf of the Authority shall
10 pay the entire admission tax to the Board and the licensed
11 manager shall pay the entire admission fee to the Board. Such
12 payments shall be made daily. Accompanying each payment shall
13 be a return on forms provided by the Board which shall include
14 other information regarding admissions as the Board may
15 require. Failure to submit either the payment or the return
16 within the specified time may result in suspension or
17 revocation of the owners or managers license.

18 (d) The Board shall administer and collect the admission
19 tax imposed by this Section, to the extent practicable, in a
20 manner consistent with the provisions of Sections 4, 5, 5a, 5b,
21 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9 and 10 of the
22 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
23 Penalty and Interest Act.

24 (Source: P.A. 94-673, eff. 8-23-05; 95-663, eff. 10-11-07.)

1 Sec. 12.1. Identification required. An owners licensee or
2 casino licensee shall implement procedures to obtain a valid
3 government-issued photo identification card containing, at a
4 minimum, a date of birth from patrons appearing to be age 30
5 and under prior to the patron passing through the admission
6 turnstiles. The owners licensee or casino licensee shall file
7 the procedures with the Board. The procedures shall include the
8 following:

9 (1) The forms of identification accepted, which shall
10 include:

11 (A) a driver's license or State photo
12 identification card issued in the United States;

13 (B) a passport;

14 (C) a U.S. issued military I.D.;

15 (D) a photo identification card issued by a
16 government entity located within the United States or a
17 U.S. territory or possession; and

18 (E) a U.S. issued alien identification card.

19 (2) A description of how information obtained from the
20 identification card will be compared to the Board's
21 Statewide Voluntary Self-Exclusion List, including a
22 description of procedures to ensure the confidentiality of
23 the information. Information obtained from identification
24 cards may be maintained for statistical or regulatory
25 purposes, but not for marketing, promotional, or any other
26 purpose.

1 The Board may not enforce, impose, or adopt administrative
2 rules for identification requirements or procedures other than
3 those contained in this Section.

4 (230 ILCS 10/13) (from Ch. 120, par. 2413)

5 Sec. 13. Wagering tax; rate; distribution.

6 (a) Until January 1, 1998, a tax is imposed on the adjusted
7 gross receipts received from gambling games authorized under
8 this Act at the rate of 20%.

9 (a-1) From January 1, 1998 until July 1, 2002, a privilege
10 tax is imposed on persons engaged in the business of conducting
11 riverboat gambling operations, based on the adjusted gross
12 receipts received by a licensed owner from gambling games
13 authorized under this Act at the following rates:

14 15% of annual adjusted gross receipts up to and
15 including \$25,000,000;

16 20% of annual adjusted gross receipts in excess of
17 \$25,000,000 but not exceeding \$50,000,000;

18 25% of annual adjusted gross receipts in excess of
19 \$50,000,000 but not exceeding \$75,000,000;

20 30% of annual adjusted gross receipts in excess of
21 \$75,000,000 but not exceeding \$100,000,000;

22 35% of annual adjusted gross receipts in excess of
23 \$100,000,000.

24 (a-2) From July 1, 2002 until July 1, 2003, a privilege tax
25 is imposed on persons engaged in the business of conducting

1 riverboat gambling operations, other than licensed managers
2 conducting riverboat gambling operations on behalf of the
3 State, based on the adjusted gross receipts received by a
4 licensed owner from gambling games authorized under this Act at
5 the following rates:

6 15% of annual adjusted gross receipts up to and
7 including \$25,000,000;

8 22.5% of annual adjusted gross receipts in excess of
9 \$25,000,000 but not exceeding \$50,000,000;

10 27.5% of annual adjusted gross receipts in excess of
11 \$50,000,000 but not exceeding \$75,000,000;

12 32.5% of annual adjusted gross receipts in excess of
13 \$75,000,000 but not exceeding \$100,000,000;

14 37.5% of annual adjusted gross receipts in excess of
15 \$100,000,000 but not exceeding \$150,000,000;

16 45% of annual adjusted gross receipts in excess of
17 \$150,000,000 but not exceeding \$200,000,000;

18 50% of annual adjusted gross receipts in excess of
19 \$200,000,000.

20 (a-3) Beginning July 1, 2003, a privilege tax is imposed on
21 persons engaged in the business of conducting riverboat
22 gambling operations, other than licensed managers conducting
23 riverboat gambling operations on behalf of the State, based on
24 the adjusted gross receipts received by a licensed owner from
25 gambling games authorized under this Act at the following
26 rates:

1 15% of annual adjusted gross receipts up to and
2 including \$25,000,000;

3 27.5% of annual adjusted gross receipts in excess of
4 \$25,000,000 but not exceeding \$37,500,000;

5 32.5% of annual adjusted gross receipts in excess of
6 \$37,500,000 but not exceeding \$50,000,000;

7 37.5% of annual adjusted gross receipts in excess of
8 \$50,000,000 but not exceeding \$75,000,000;

9 45% of annual adjusted gross receipts in excess of
10 \$75,000,000 but not exceeding \$100,000,000;

11 50% of annual adjusted gross receipts in excess of
12 \$100,000,000 but not exceeding \$250,000,000;

13 70% of annual adjusted gross receipts in excess of
14 \$250,000,000.

15 An amount equal to the amount of wagering taxes collected
16 under this subsection (a-3) that are in addition to the amount
17 of wagering taxes that would have been collected if the
18 wagering tax rates under subsection (a-2) were in effect shall
19 be paid into the Common School Fund.

20 The privilege tax imposed under this subsection (a-3) shall
21 no longer be imposed beginning on the earlier of (i) July 1,
22 2005; (ii) the first date after June 20, 2003 that riverboat
23 gambling operations are conducted pursuant to a dormant
24 license; or (iii) the first day that riverboat gambling
25 operations are conducted under the authority of an owners
26 license that is in addition to the 10 owners licenses initially

1 authorized under this Act. For the purposes of this subsection
2 (a-3), the term "dormant license" means an owners license that
3 is authorized by this Act under which no riverboat gambling
4 operations are being conducted on June 20, 2003.

5 (a-4) Beginning on the first day on which the tax imposed
6 under subsection (a-3) is no longer imposed, a privilege tax is
7 imposed on persons engaged in the business of conducting
8 riverboat gambling operations, other than licensed managers
9 conducting riverboat gambling operations on behalf of the
10 State, based on the adjusted gross receipts received by a
11 licensed owner from gambling games and electronic poker
12 authorized under this Act at the following rates:

13 15% of annual adjusted gross receipts up to and
14 including \$25,000,000;

15 22.5% of annual adjusted gross receipts in excess of
16 \$25,000,000 but not exceeding \$50,000,000;

17 27.5% of annual adjusted gross receipts in excess of
18 \$50,000,000 but not exceeding \$75,000,000;

19 32.5% of annual adjusted gross receipts in excess of
20 \$75,000,000 but not exceeding \$100,000,000;

21 37.5% of annual adjusted gross receipts in excess of
22 \$100,000,000 but not exceeding \$150,000,000;

23 45% of annual adjusted gross receipts in excess of
24 \$150,000,000 but not exceeding \$200,000,000;

25 50% of annual adjusted gross receipts in excess of
26 \$200,000,000.

1 (a-5) Beginning on the effective date of this amendatory
2 Act of the 95th General Assembly, a privilege tax is imposed on
3 casino gambling operations conducted pursuant to a license
4 issued to the Chicago Casino Development Authority or pursuant
5 to a license issued under Section 7.11a to a private entity at
6 the same rates specified in subsection (a-4) for the privilege
7 tax on riverboat gambling operations. No privilege tax shall be
8 imposed on casino gambling operations conducted pursuant to a
9 license issued to the Illinois Casino Development Authority.

10 (a-6) Beginning on the effective date of this amendatory
11 Act of the 95th General Assembly, a privilege tax is imposed on
12 persons conducting electronic gaming based on the net adjusted
13 gross receipts received by an electronic gaming licensee from
14 electronic gaming and electronic poker at the following rates:

15 15% of annual net adjusted gross receipts up to and
16 including \$25,000,000;

17 22.5% of annual net adjusted gross receipts in excess
18 of \$25,000,000 but not exceeding \$50,000,000;

19 27.5% of annual net adjusted gross receipts in excess
20 of \$50,000,000 but not exceeding \$75,000,000;

21 32.5% of annual net adjusted gross receipts in excess
22 of \$75,000,000 but not exceeding \$100,000,000;

23 37.5% of annual net adjusted gross receipts in excess
24 of \$100,000,000 but not exceeding \$150,000,000;

25 45% of annual net adjusted gross receipts in excess of
26 \$150,000,000 but not exceeding \$200,000,000;

1 50% of annual net adjusted gross receipts in excess of
2 \$200,000,000.

3 As used in this Section, "net adjusted gross receipts"
4 means total adjusted gross receipts minus purse account
5 distributions made pursuant to subsection (a-5) of Section 56
6 of the Illinois Horse Racing Act of 1975.

7 (a-8) Riverboat gambling operations conducted by a
8 licensed manager on behalf of the State are not subject to the
9 tax imposed under this Section.

10 (a-10) The taxes imposed by this Section shall be paid by
11 the gaming licensee ~~licensed owner~~ to the Board not later than
12 3:00 o'clock p.m. of the day after the day when the wagers were
13 made.

14 (a-15) If the privilege tax imposed under subsection (a-3)
15 is no longer imposed pursuant to item (i) of the last paragraph
16 of subsection (a-3), then by June 15 of each year, each owners
17 licensee, other than an owners licensee that admitted 1,000,000
18 persons or fewer in calendar year 2004, must, in addition to
19 the payment of all amounts otherwise due under this Section,
20 pay to the Board a reconciliation payment in the amount, if
21 any, by which the licensed owner's base amount exceeds the
22 amount of net privilege tax paid by the licensed owner to the
23 Board in the then current State fiscal year. A licensed owner's
24 net privilege tax obligation due for the balance of the State
25 fiscal year shall be reduced up to the total of the amount paid
26 by the licensed owner in its June 15 reconciliation payment.

1 The obligation imposed by this subsection (a-15) is binding on
2 any person, firm, corporation, or other entity that acquires an
3 ownership interest in any such owners license. The obligation
4 imposed under this subsection (a-15) terminates on the earliest
5 of: (i) July 1, 2007, (ii) the first day after the effective
6 date of this amendatory Act of the 94th General Assembly that
7 riverboat gambling operations are conducted pursuant to a
8 dormant license, (iii) the first day that riverboat gambling
9 operations are conducted under the authority of an owners
10 license that is in addition to the 10 owners licenses initially
11 authorized under this Act, or (iv) the first day that a
12 licensee under the Illinois Horse Racing Act of 1975 conducts
13 gaming operations with slot machines or other electronic gaming
14 devices. The Board must reduce the obligation imposed under
15 this subsection (a-15) by an amount the Board deems reasonable
16 for any of the following reasons: (A) an act or acts of God,
17 (B) an act of bioterrorism or terrorism or a bioterrorism or
18 terrorism threat that was investigated by a law enforcement
19 agency, or (C) a condition beyond the control of the owners
20 licensee that does not result from any act or omission by the
21 owners licensee or any of its agents and that poses a hazardous
22 threat to the health and safety of patrons. If an owners
23 licensee pays an amount in excess of its liability under this
24 Section, the Board shall apply the overpayment to future
25 payments required under this Section.

26 For purposes of this subsection (a-15):

1 "Act of God" means an incident caused by the operation of
2 an extraordinary force that cannot be foreseen, that cannot be
3 avoided by the exercise of due care, and for which no person
4 can be held liable.

5 "Base amount" means the following:

6 For a riverboat in Alton, \$31,000,000.

7 For a riverboat in East Peoria, \$43,000,000.

8 For the Empress riverboat in Joliet, \$86,000,000.

9 For a riverboat in Metropolis, \$45,000,000.

10 For the Harrah's riverboat in Joliet, \$114,000,000.

11 For a riverboat in Aurora, \$86,000,000.

12 For a riverboat in East St. Louis, \$48,500,000.

13 For a riverboat in Elgin, \$198,000,000.

14 "Dormant license" has the meaning ascribed to it in
15 subsection (a-3).

16 "Net privilege tax" means all privilege taxes paid by a
17 licensed owner to the Board under this Section, less all
18 payments made from the State Gaming Fund pursuant to subsection
19 (b) of this Section.

20 The changes made to this subsection (a-15) by Public Act
21 94-839 are intended to restate and clarify the intent of Public
22 Act 94-673 with respect to the amount of the payments required
23 to be made under this subsection by an owners licensee to the
24 Board.

25 (b) Until January 1, 1998, 25% of the tax revenue deposited
26 in the State Gaming Fund under this Section shall be paid,

1 subject to appropriation by the General Assembly, to the unit
2 of local government which is designated as the home dock of the
3 riverboat. Except as otherwise provided in this subsection (b),
4 beginning ~~Beginning~~ January 1, 1998, from the tax revenue
5 deposited in the State Gaming Fund under this Section, an
6 amount equal to 5% of adjusted gross receipts generated by a
7 riverboat shall be paid monthly, subject to appropriation by
8 the General Assembly, to the unit of local government that is
9 designated as the home dock of the riverboat.

10 For calendar year 2008 and each year thereafter, (i) the
11 unit of local government that is designated as the home dock of
12 a riverboat conducting gambling operations on the effective
13 date of this amendatory Act of the 95th General Assembly shall
14 not receive more money pursuant to this subsection (b) than it
15 received in the calendar year 2007.

16 If the Board certifies that the amounts paid under this
17 subsection (b) to a unit of local government in which a
18 riverboat in operation in calendar year 2007 is located during
19 the first and second calendar year that electronic gaming is
20 conducted are less than those paid under this subsection during
21 the base year, then the Board shall pay from the State Gaming
22 Fund to the unit of local government that is designated as the
23 home dock of the riverboat an amount equal to 100% of the
24 difference. If the Board certifies that the amounts paid under
25 this subsection (b) to a unit of local government in which a
26 riverboat in operation in calendar year 2007 is located during

1 the third and fourth calendar year that electronic gaming is
2 conducted are less than those paid under this subsection during
3 the base year, then the Board shall pay from the State Gaming
4 Fund to the unit of local government that is designated as the
5 home dock of the riverboat an amount equal to 75% of the
6 difference. If the Board certifies that the amounts paid under
7 this subsection (b) to a unit of local government in which a
8 riverboat in operation in calendar year 2007 is located during
9 the fifth calendar year that electronic gaming is conducted are
10 less than those paid under this subsection during the base
11 year, then the Board shall pay from the State Gaming Fund to
12 the unit of local government that is designated as the home
13 dock of the riverboat an amount equal to 50% of the difference.
14 No payments for losses associated with electronic gaming shall
15 be made after the fifth year that electronic gaming is
16 conducted.

17 For the purpose of this subsection (b), "base year" means
18 the calendar year before electronic gaming is conducted in the
19 State of Illinois.

20 Beginning on the effective date of this amendatory Act of
21 the 95th General Assembly, from the tax revenue deposited in
22 the State Gaming Fund under this Section, an amount equal to 2%
23 of the new adjusted gross receipts generated by a riverboat not
24 located in St. Clair County that is conducting gambling
25 operations on the effective date of this amendatory Act of the
26 95th General Assembly shall be paid monthly, subject to

1 appropriation by the General Assembly, to the county in which
2 the home dock of the riverboat is located for the purposes of
3 its criminal justice system or health care.

4 Beginning on the effective date of this amendatory Act of
5 the 95th General Assembly, from the tax revenue deposited into
6 the State Gaming Fund under this Section, (i) an amount equal
7 to 0.75% of new adjusted gross receipts generated by a
8 riverboat located in St. Clair County conducting gambling
9 operations on the effective date of this amendatory Act of the
10 95th General Assembly shall be paid monthly, subject to
11 appropriation by the General Assembly, to St. Clair County for
12 the purposes of its criminal justice system or health care and
13 (ii) an amount equal to 1.25% of new adjusted gross receipts
14 generated by a riverboat located in St. Clair County conducting
15 gambling operations on the effective date of this amendatory
16 Act of the 95th General Assembly shall be divided equally and
17 paid monthly, subject to appropriation by the General Assembly,
18 to the Village of Alorton, the Village of Brooklyn, the Village
19 of Cahokia, the City of Centreville, and the Village of
20 Washington Park for the purposes of economic development.

21 As used in this subsection (b), "new adjusted gross
22 receipts" means the difference between the adjusted gross
23 receipts generated by a riverboat conducting gambling
24 operations on the effective date of this amendatory Act of the
25 95th General Assembly in the payment month and the adjusted
26 gross receipts generated by that riverboat in the corresponding

1 month in 2007.

2 As used in this subsection (b), "base year" means the
3 calendar year before electronic gaming is conducted in the
4 State of Illinois.

5 Beginning on the effective date of this amendatory Act of
6 the 95th General Assembly, from the tax revenue deposited in
7 the State Gaming Fund under this Section, an amount equal to
8 (i) 2% of adjusted gross receipts (net adjusted gross receipts
9 for electronic gaming facilities) generated by a riverboat not
10 in operation on the effective date of this amendatory Act of
11 the 95th General Assembly, casino, excluding the casino
12 operated by the Chicago Casino Development Authority and the
13 casino operated by the Illinois Casino Development Authority,
14 or electronic gaming facility located outside Madison County
15 shall be paid monthly, subject to appropriation by the General
16 Assembly, to the unit of local government that is designated as
17 the home dock of the riverboat or the municipality in which a
18 casino, excluding the casino operated by the Chicago Casino
19 Development Authority and the casino operated by the Illinois
20 Casino Development Authority, or an electronic gaming facility
21 is located, (ii) 3% of adjusted gross receipts (net adjusted
22 gross receipts for tracks) generated by a riverboat or casino
23 not in operation on the effective date of this amendatory Act
24 of the 95th General Assembly, except the casino operated by the
25 Chicago Casino Development Authority and the casino operated by
26 the Illinois Casino Development Authority, or the electronic

1 gaming facility located outside Madison County shall be paid
2 monthly, subject to appropriation by the General Assembly, to
3 the county in which the home dock of the riverboat, the casino,
4 excluding the casino operated by the Chicago Casino Development
5 Authority and the casino operated by the Illinois Casino
6 Development Authority, or electronic gaming facility is
7 located for the purposes of its criminal justice system or
8 health care system, and (iii) 1.5% of adjusted gross receipts
9 generated by the casino operated by the Chicago Casino
10 Development Authority shall be paid monthly to Cook County for
11 the purposes of its criminal justice system or health care
12 system. In the case of an electronic gaming facility that is
13 not located in a municipality on the effective date of this
14 amendatory Act of the 95th General Assembly, the amounts
15 distributed under this subsection (b) shall be distributed
16 wholly to the county.

17 Beginning on the effective date of this amendatory Act of
18 the 95th General Assembly, from the tax revenue deposited in
19 the State Gaming Fund under this section, an amount equal to
20 (i) 2% of net adjusted gross receipts generated by an
21 electronic gaming facility located in Madison County shall be
22 paid monthly, subject to appropriation by the General Assembly,
23 to the unit of local government in which the electronic gaming
24 facility is located, (ii) 1.5% of net adjusted gross receipts
25 generated by an electronic gaming facility located in Madison
26 County shall be paid monthly, subject to appropriation by the

1 General Assembly, to Madison County for the purposes of its
2 criminal justice or health care systems, and (iii) 1.5% of net
3 adjusted gross receipts generated by an electronic gaming
4 facility located in Madison County shall be paid monthly,
5 subject to appropriation by the General Assembly, to St. Clair
6 County for the purposes of its criminal justice or health care
7 systems.

8 From the tax revenue deposited in the State Gaming Fund
9 pursuant to riverboat gambling operations conducted by a
10 licensed manager on behalf of the State, an amount equal to 5%
11 of adjusted gross receipts generated pursuant to those
12 riverboat gambling operations shall be paid monthly, subject to
13 appropriation by the General Assembly, to the unit of local
14 government that is designated as the home dock of the riverboat
15 upon which those riverboat gambling operations are conducted.

16 (b-5) An amount equal to 1% of the adjusted gross receipts
17 from the first owners licensee, riverboat, or casino licensee
18 issued on or after the effective date of this amendatory Act of
19 the 95th General Assembly authorizing gambling in Cook County
20 shall be paid monthly, subject to appropriation by the General
21 Assembly, to the Depressed Communities Economic Development
22 Fund, which is created as a special fund in the State treasury.
23 The Department of Commerce and Economic Opportunity shall
24 administer the Fund and use moneys in the Fund to make grants
25 for revitalization of communities in accordance with Section
26 605-530 of The Department of Economic Opportunity Law of the

1 Civil Administration Code of Illinois.

2 (c) (Blank). ~~Appropriations, as approved by the General~~
3 ~~Assembly, may be made from the State Gaming Fund to the~~
4 ~~Department of Revenue and the Department of State Police for~~
5 ~~the administration and enforcement of this Act, or to the~~
6 ~~Department of Human Services for the administration of programs~~
7 ~~to treat problem gambling.~~

8 (c-5) (Blank). ~~Before May 26, 2006 (the effective date of~~
9 ~~Public Act 94-804) and beginning 2 years after May 26, 2006~~
10 ~~(the effective date of Public Act 94-804), after the payments~~
11 ~~required under subsections (b) and (c) have been made, an~~
12 ~~amount equal to 15% of the adjusted gross receipts of (1) an~~
13 ~~owners licensee that relocates pursuant to Section 11.2, (2) an~~
14 ~~owners licensee conducting riverboat gambling operations~~
15 ~~pursuant to an owners license that is initially issued after~~
16 ~~June 25, 1999, or (3) the first riverboat gambling operations~~
17 ~~conducted by a licensed manager on behalf of the State under~~
18 ~~Section 7.3, whichever comes first, shall be paid from the~~
19 ~~State Gaming Fund into the Horse Racing Equity Fund.~~

20 (c-10) (Blank). ~~Each year the General Assembly shall~~
21 ~~appropriate from the General Revenue Fund to the Education~~
22 ~~Assistance Fund an amount equal to the amount paid into the~~
23 ~~Horse Racing Equity Fund pursuant to subsection (c-5) in the~~
24 ~~prior calendar year.~~

25 (c-15) (Blank). ~~After the payments required under~~
26 ~~subsections (b), (c), and (c-5) have been made, an amount equal~~

1 ~~to 2% of the adjusted gross receipts of (1) an owners licensee~~
2 ~~that relocates pursuant to Section 11.2, (2) an owners licensee~~
3 ~~conducting riverboat gambling operations pursuant to an owners~~
4 ~~license that is initially issued after June 25, 1999, or (3)~~
5 ~~the first riverboat gambling operations conducted by a licensed~~
6 ~~manager on behalf of the State under Section 7.3, whichever~~
7 ~~comes first, shall be paid, subject to appropriation from the~~
8 ~~General Assembly, from the State Gaming Fund to each home rule~~
9 ~~county with a population of over 3,000,000 inhabitants for the~~
10 ~~purpose of enhancing the county's criminal justice system.~~

11 (c-20) (Blank). ~~Each year the General Assembly shall~~
12 ~~appropriate from the General Revenue Fund to the Education~~
13 ~~Assistance Fund an amount equal to the amount paid to each home~~
14 ~~rule county with a population of over 3,000,000 inhabitants~~
15 ~~pursuant to subsection (c-15) in the prior calendar year.~~

16 (c-25) (Blank). ~~After the payments required under~~
17 ~~subsections (b), (c), (c-5) and (c-15) have been made, an~~
18 ~~amount equal to 2% of the adjusted gross receipts of (1) an~~
19 ~~owners licensee that relocates pursuant to Section 11.2, (2) an~~
20 ~~owners licensee conducting riverboat gambling operations~~
21 ~~pursuant to an owners license that is initially issued after~~
22 ~~June 25, 1999, or (3) the first riverboat gambling operations~~
23 ~~conducted by a licensed manager on behalf of the State under~~
24 ~~Section 7.3, whichever comes first, shall be paid from the~~
25 ~~State Gaming Fund to Chicago State University.~~

26 (d) From time to time, the Board shall transfer all

1 remaining revenue generated by riverboat gambling under this
2 Act as follows: (i) from revenue generated by riverboats in
3 operation on the effective date of this amendatory Act of the
4 95th General Assembly, an amount equal to the amount
5 transferred from the State Gaming Fund into the Education
6 Assistance Fund in fiscal year 2007, plus all revenue generated
7 by the dormant license, shall be transferred ~~the remainder of~~
8 ~~the funds generated by this Act~~ into the Education Assistance
9 Fund, created by Public Act 86-0018, of the State of Illinois
10 and (ii) the remainder of the funds generated by riverboat
11 gambling under this Act shall be transferred into the Illinois
12 Works Debt Service Fund. For the purposes of this subsection
13 (d), "dormant license" means an owners license that was
14 authorized by this Act on June 20, 2003, but under which no
15 riverboat gambling operations were being conducted on that
16 date.

17 (e) From time to time, the Board shall transfer all
18 remaining revenue generated under this Act from casino gambling
19 operations and electronic gaming into the Illinois Works Debt
20 Service Fund.

21 (f) ~~(e)~~ Nothing in this Act shall prohibit the unit of
22 local government designated as the home dock of the riverboat
23 or the municipality in which a casino is located from entering
24 into agreements with other units of local government in this
25 State or in other states to share its portion of the tax
26 revenue.

1 (g) ~~(f)~~ To the extent practicable, the Board shall
2 administer and collect the wagering taxes imposed by this
3 Section in a manner consistent with the provisions of Sections
4 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9,
5 and 10 of the Retailers' Occupation Tax Act and Section 3-7 of
6 the Uniform Penalty and Interest Act.

7 (Source: P.A. 94-673, eff. 8-23-05; 94-804, eff. 5-26-06;
8 94-839, eff. 6-6-06; 95-331, eff. 8-21-07.)

9 (230 ILCS 10/13.2 new)

10 Sec. 13.2. Responsible Play Information Centers.

11 (a) Each gaming licensee must provide on-site Responsible
12 Play Information Centers (RPICs) in each licensed facility for
13 the purposes of (1) increasing patron knowledge and
14 understanding of how games of chance work; (2) providing
15 on-site information and referral services to customers or other
16 persons seeking information on responsible gambling
17 strategies, problem gambling programs, and voluntary
18 self-exclusion; (3) informing patrons of the risks of problem
19 gambling and their limitations and teaching them how to play
20 within their means; (4) improving the effectiveness and
21 efficiency of assistance to individuals experiencing problems
22 with gambling; and (5) improving gambling delivery by
23 increasing the promotion and delivery of responsible gambling
24 practices.

25 (b) RPICs must be staffed at a minimum for 15 hours per

1 day, as determined by the Board on a facility-by-facility
2 basis, and must contain a self-service, computer-based
3 gambling tutorial, continuously looped informational videos,
4 and brochures for use when staff is unavailable. RPICs must be
5 designed as a dedicated space that is easily accessible from
6 the gaming floor, brilliantly lighted, comfortably furnished,
7 and patron friendly.

8 (c) Staff at RPICs must be trained in prevention education
9 and counseling and must be fully integrated within the gaming
10 environment, working closely with gaming staff and managers to
11 educate players and assist with staff training. The RPIC staff
12 responsibilities shall include all of the following:

13 (1) To provide customer service-based player
14 information about the principles of gambling, including
15 randomness, house advantage, odds, and payouts.

16 (2) To provide information, support, and referrals, as
17 appropriate, to patrons who may be experiencing problems.

18 (3) To provide assistance with the voluntary
19 self-exclusion program.

20 (4) To consult with gaming staff, as appropriate, to
21 resolve situations where patrons may be in distress.

22 (5) To demonstrate a gaming-neutral approach to
23 issues.

24 (6) To keep log sheets on-site to record customer
25 interactions and information provided.

26 (d) All materials viewed in or distributed by a RPIC must

1 be approved by the Board.

2 (230 ILCS 10/14) (from Ch. 120, par. 2414)

3 Sec. 14. Licensees - Records - Reports - Supervision.

4 (a) Gaming licensees ~~A Licensed owner~~ shall keep their ~~his~~
5 books and records so as to clearly show the following:

6 (1) The amount received daily from admission fees.

7 (2) The total amount of gross receipts.

8 (3) The total amount of the adjusted gross receipts.

9 (b) The gaming licensee ~~Licensed owner~~ shall furnish to the
10 Board reports and information as the Board may require with
11 respect to its activities on forms designed and supplied for
12 such purpose by the Board.

13 (c) The books and records kept by a gaming licensee
14 ~~licensed owner~~ as provided by this Section are public records
15 and the examination, publication, and dissemination of the
16 books and records are governed by the provisions of the ~~The~~
17 Freedom of Information Act.

18 (Source: P.A. 86-1029.)

19 (230 ILCS 10/14.5 new)

20 Sec. 14.5. Collection of delinquent amounts. At any time
21 within 5 years after any amount of fees, interest, penalties,
22 or tax required to be collected pursuant to the provisions of
23 this Act shall become due and payable, the Office of Gaming
24 Enforcement may bring a civil action in the courts of this

1 State or any other state or of the United States, in the name
2 of the State of Illinois, to collect the amount delinquent,
3 together with penalties and interest. An action may be brought
4 whether or not the person owing the amount is at such time an
5 applicant or licensee under this Act. In all actions in this
6 State, the records of the Board and the Office shall be prima
7 facie evidence of the determination of the fee or tax or the
8 amount of the delinquency.

9 (230 ILCS 10/17) (from Ch. 120, par. 2417)

10 Sec. 17. Administrative Procedures. The Illinois
11 Administrative Procedure Act shall apply to all administrative
12 rules and procedures of the Board and the Office of Gaming
13 Enforcement under this Act, except that: (1) subsection (b) of
14 Section 5-10 of the Illinois Administrative Procedure Act does
15 not apply to final orders, decisions and opinions of the Board;
16 (2) subsection (a) of Section 5-10 of the Illinois
17 Administrative Procedure Act does not apply to forms
18 established by the Board for use under this Act; (3) the
19 provisions of Section 10-45 of the Illinois Administrative
20 Procedure Act regarding proposals for decision are excluded
21 under this Act; and (4) the provisions of subsection (d) of
22 Section 10-65 of the Illinois Administrative Procedure Act do
23 not apply so as to prevent summary suspension of any license
24 pending revocation or other action, which suspension shall
25 remain in effect unless modified by the Board or unless the

1 Board's decision is reversed on the merits upon judicial
2 review.

3 (Source: P.A. 88-45; 89-626, eff. 8-9-96.)

4 (230 ILCS 10/17.2 new)

5 Sec. 17.2. Administrative proceedings; burden of proof. In
6 proceedings before the Board, the burden of proof is at all
7 times on the petitioner. The petitioner shall have the
8 affirmative responsibility of establishing by clear and
9 convincing evidence that the petitioner is suitable for
10 licensing or a transfer of ownership.

11 (230 ILCS 10/18) (from Ch. 120, par. 2418)

12 Sec. 18. Prohibited Activities - Penalty.

13 (a) A person is guilty of a Class A misdemeanor for doing
14 any of the following:

15 (1) Conducting gambling where wagering is used or to be
16 used without a license issued by the Board.

17 (2) Conducting gambling where wagering is permitted
18 other than in the manner specified by Section 11.

19 (b) A person is guilty of a Class B misdemeanor for doing
20 any of the following:

21 (1) permitting a person under 21 years to make a wager;

22 or

23 (2) violating paragraph (12) of subsection (a) of
24 Section 11 of this Act.

1 (c) A person wagering or accepting a wager at any location
2 outside the licensed facility in violation of paragraph
3 ~~riverboat is subject to the penalties in paragraphs~~ (1) or (2)
4 of subsection (a) of Section 28-1 of the Criminal Code of 1961
5 is subject to the penalties provided in that Section.

6 (d) A person commits a Class 4 felony and, in addition,
7 shall be barred for life from gambling operations ~~riverboats~~
8 under the jurisdiction of the Board, if the person does any of
9 the following:

10 (1) Offers, promises, or gives anything of value or
11 benefit to a person who is connected with a gaming licensee
12 ~~riverboat owner~~ including, but not limited to, an officer
13 or employee of a gaming licensee ~~licensed owner~~ or holder
14 of an occupational license pursuant to an agreement or
15 arrangement or with the intent that the promise or thing of
16 value or benefit will influence the actions of the person
17 to whom the offer, promise, or gift was made in order to
18 affect or attempt to affect the outcome of a gambling game,
19 or to influence official action of a member of the Board.

20 (2) Solicits or knowingly accepts or receives a promise
21 of anything of value or benefit while the person is
22 connected with a gaming licensee ~~riverboat~~ including, but
23 not limited to, an officer or employee of a gaming licensee
24 ~~licensed owner~~, or the holder of an occupational license,
25 pursuant to an understanding or arrangement or with the
26 intent that the promise or thing of value or benefit will

1 influence the actions of the person to affect or attempt to
2 affect the outcome of a gambling game or electronic poker,
3 or to influence official action of a member of the Board.

4 (3) Uses or possesses with the intent to use a device
5 to assist:

6 (i) In projecting the outcome of the game.

7 (ii) In keeping track of the cards played.

8 (iii) In analyzing the probability of the
9 occurrence of an event relating to the gambling game or
10 electronic poker.

11 (iv) In analyzing the strategy for playing or
12 betting to be used in the game except as permitted by
13 the Board.

14 (4) Cheats at a gambling game or electronic poker.

15 (5) Manufactures, sells, or distributes any cards,
16 chips, dice, game or device which is intended to be used to
17 violate any provision of this Act.

18 (6) Alters or misrepresents the outcome of a gambling
19 game or electronic poker on which wagers have been made
20 after the outcome is made sure but before it is revealed to
21 the players.

22 (7) Places a bet after acquiring knowledge, not
23 available to all players, of the outcome of the gambling
24 game or electronic poker which is subject of the bet or to
25 aid a person in acquiring the knowledge for the purpose of
26 placing a bet contingent on that outcome.

1 (8) Claims, collects, or takes, or attempts to claim,
2 collect, or take, money or anything of value in or from the
3 gambling games or electronic poker, with intent to defraud,
4 without having made a wager contingent on winning a
5 gambling game or electronic poker, or claims, collects, or
6 takes an amount of money or thing of value of greater value
7 than the amount won.

8 (9) Uses counterfeit chips or tokens in a gambling game
9 or electronic poker.

10 (10) Possesses any key or device designed for the
11 purpose of opening, entering, or affecting the operation of
12 a gambling game or electronic poker, drop box, or an
13 electronic or mechanical device connected with the
14 gambling game or for removing coins, tokens, chips or other
15 contents of a gambling game or electronic poker. This
16 paragraph (10) does not apply to a gambling licensee or
17 employee of a gambling licensee acting in furtherance of
18 the employee's employment.

19 (e) The possession of more than one of the devices
20 described in subsection (d), paragraphs (3), (5) or (10)
21 permits a rebuttable presumption that the possessor intended to
22 use the devices for cheating.

23 An action to prosecute any crime occurring on a riverboat
24 shall be tried in the county of the dock at which the riverboat
25 is based. An action to prosecute any crime occurring in a
26 casino or electronic gaming facility shall be tried in the

1 county in which the casino or electronic gaming facility is
2 located.

3 (Source: P.A. 91-40, eff. 6-25-99.)

4 (230 ILCS 10/19) (from Ch. 120, par. 2419)

5 Sec. 19. Forfeiture of property.

6 (a) Except as provided in subsection (b), any licensed
7 facility ~~riverboat~~ used for the conduct of gambling ~~games~~ in
8 violation of this Act shall be considered a gambling place in
9 violation of Section 28-3 of the Criminal Code of 1961, as now
10 or hereafter amended. Every gambling device found at a licensed
11 facility ~~on a riverboat~~ operating gambling ~~games~~ in violation
12 of this Act shall be subject to seizure, confiscation and
13 destruction as provided in Section 28-5 of the Criminal Code of
14 1961, as now or hereafter amended.

15 (b) It is not a violation of this Act for a riverboat or
16 other watercraft which is licensed for gaming by a contiguous
17 state to dock on the shores of this State if the municipality
18 having jurisdiction of the shores, or the county in the case of
19 unincorporated areas, has granted permission for docking and no
20 gaming is conducted on the riverboat or other watercraft while
21 it is docked on the shores of this State. No gambling device
22 shall be subject to seizure, confiscation or destruction if the
23 gambling device is located on a riverboat or other watercraft
24 which is licensed for gaming by a contiguous state and which is
25 docked on the shores of this State if the municipality having

1 jurisdiction of the shores, or the county in the case of
2 unincorporated areas, has granted permission for docking and no
3 gaming is conducted on the riverboat or other watercraft while
4 it is docked on the shores of this State.

5 (Source: P.A. 86-1029.)

6 (230 ILCS 10/20) (from Ch. 120, par. 2420)

7 Sec. 20. Prohibited activities - civil penalties. Any
8 person who conducts a gambling operation without first
9 obtaining a license to do so, or who continues to conduct such
10 games after revocation of his license, or any licensee who
11 conducts or allows to be conducted any unauthorized gambling at
12 a licensed facility ~~games on a riverboat~~ where it is authorized
13 to conduct its ~~riverboat~~ gambling operation, in addition to
14 other penalties provided, shall be subject to a civil penalty
15 equal to the amount of gross receipts derived from wagering on
16 the gambling activity ~~games~~, whether unauthorized or
17 authorized, conducted on that day as well as confiscation and
18 forfeiture of all gambling ~~game~~ equipment used in the conduct
19 of unauthorized gambling ~~games~~.

20 (Source: P.A. 86-1029.)

21 (230 ILCS 10/22.5 new)

22 Sec. 22.5. Illinois Works Fund.

23 (a) There is created the Illinois Works Fund, a special
24 fund in the State Treasury. The Board shall deposit the

1 following into the Illinois Works Fund:

2 (1) The initial fee and reconciliation payment from the
3 positions under subsections (h-2) and (h-5) of Section 7.

4 (2) The initial fee and reconciliation payment from
5 electronic gaming positions.

6 (3) Amounts received pursuant to competitive bidding
7 for the additional riverboat authorized under this
8 amendatory Act of the 95th General Assembly under
9 subsection (e) of Section 7 and for the casino license
10 authorized under Section 7.11a.

11 (4) The casino license fee.

12 (5) Amounts received pursuant to subsection (e) of
13 Section 1-45 of the Chicago Casino Development Authority
14 Act.

15 (6) Amounts received pursuant to subsection (e) of
16 Section 5-45 of the Illinois Casino Development Authority
17 Act.

18 (b) Moneys in the Illinois Works Fund shall, subject to
19 appropriation, be used for the making of grants and
20 expenditures for the Illinois Works Capital Program.

21 (c) Thirty percent of the moneys deposited into the
22 Illinois Works Fund shall be transferred into the Focusing on
23 Children, Uplifting Schools (FOCUS) Fund.

24 (c-5) Any changes in the purposes or use of this Fund, or
25 changes in revenues directed to this Fund, must be approved by
26 three-fifths vote of both the Senate and House of

1 Representatives.

2 (d) Designees of the President and the Minority Leader of
3 the Senate, the Speaker and Minority Leader of the House, and
4 the Director of the Governor's Office of Management and Budget
5 shall meet periodically and frequently at the request of any
6 one party named to review the status of each capital project
7 appropriated under the Illinois Works program.

8 (e) On the last day of each quarterly period in each fiscal
9 year, the Governor's Office of Management and Budget shall
10 provide to the President and the Minority Leader of the Senate
11 and the Speaker and the Minority Leader of the House of
12 Representatives a report on the status of new capital projects
13 first appropriated under the Illinois Works program. The report
14 must be provided in electronic format and may be provided in
15 written format upon request. The report must include all of the
16 following:

17 (1) Projected revenues for the fiscal year and actual
18 revenues year-to-date into the Illinois Works Fund that
19 will support pay-as-you-go or debt service on Illinois
20 Works capital projects.

21 (2) For each Illinois Works capital project
22 appropriated in that fiscal year:

23 (A) a brief description or stated purpose;

24 (B) the estimated total State expenditures, the
25 amount spent year-to-date, and the proposed schedule
26 of expenditures;

1 (C) a projected timeline for completion of each
2 state-managed project (excluding grants) and any
3 delays that could lead to substantial variances from
4 this timeline must be explained;

5 (D) indication of whether the project is supported
6 from pay-as-you-go sources or is bond supported;

7 (E) if a project is supported by bond revenue, the
8 bond authorization category; and

9 (F) the date the written release of the Governor
10 was submitted to the Comptroller or is anticipated to
11 be submitted; if a release for any project has not been
12 submitted to the Comptroller within 6 months of the
13 appropriation becoming law, an explanation of why the
14 project has not yet been released, including whether
15 bond authorization or projected revenues were
16 insufficient to support the release of the project.

17 (f) The Governor shall make good faith efforts to release
18 each appropriated Illinois Works project as quickly as is
19 practicable, based on availability of revenues and sufficient
20 bond authorization for the length and scope of the project.

21 (g) Any interest generated by the Illinois Works Fund shall
22 be reserved in a special account in the Illinois Works Fund and
23 be transferred monthly into the Illinois Education Trust Fund.

24 (230 ILCS 10/22.6 new)

25 Sec. 22.6. Illinois Works Debt Service Fund.

1 (a) There is created the Illinois Works Debt Service Fund,
2 a special fund in the State Treasury. The Board shall deposit
3 all amounts received from Sections (d) and (e) of Section 13
4 into the Illinois Works Debt Service Fund. Thirty percent of
5 the moneys received from subsections (d) and (e) of Section 13
6 shall be transferred into the Focusing on Children Uplifting
7 Schools (FOCUS) Fund. Any changes in the purposes or use of
8 this Fund, or changes in revenues directed to this Fund, must
9 be approved by three-fifths vote of both the Senate and House
10 of Representatives.

11 (b) Subject to the transfer provisions set forth in this
12 subsection (b), money in the Illinois Works Debt Service Fund
13 shall, if and when the State of Illinois incurs any bonded
14 indebtedness under the Illinois Works capital program, as
15 certified by the Director of the Governor's Office of
16 Management and Budget to the State Comptroller and State
17 Treasurer, be set aside and used for the purpose of paying and
18 discharging annually the principal and interest on that bonded
19 indebtedness then due and payable. In addition to other
20 transfers to the General Obligation Bond Retirement and
21 Interest Fund made pursuant to Section 15 of the General
22 Obligation Bond Act, upon each delivery of bonds issued for the
23 Illinois Works capital program, as certified by the Director of
24 the Governor's Office of Management and Budget, the State
25 Comptroller shall compute and certify to the State Treasurer
26 the total amount of principal of, interest on, and premium, if

1 any, on such bonds during the then current and each succeeding
2 fiscal year. With respect to the interest payable on variable
3 rate bonds, such certification shall be calculated at the
4 maximum rate of interest that may be payable during the fiscal
5 year, after taking into account any credits permitted in the
6 related indenture or other instrument against the amount of
7 such interest required to be appropriated for that period. On
8 or before the last day of each month, the State Treasurer and
9 State Comptroller shall transfer from the Illinois Works Debt
10 Service Fund into the General Obligation Bond Retirement and
11 Interest Fund an amount sufficient to pay the aggregate of the
12 principal of, interest on, and premium, if any, on the bonds
13 payable on their next payment date, divided by the number of
14 monthly transfer occurring between the last previous payment
15 date (or the delivery date if no payment date has yet occurred)
16 and the next succeeding payment date. Interest payable on
17 variable rate bonds shall be calculated at the maximum rate of
18 interest that may be payable for the relevant period, after
19 taking into account any credits permitted in the related
20 indenture or other instrument against the amount of such
21 interest required to be appropriated for that period.

22 (c) On July 1, 2009 and each July 1 thereafter, or as soon
23 thereafter as practical, the Director of the Governor's Office
24 of Management and Budget shall certify to the State Comptroller
25 and the State Treasurer the amount, if any, of the \$100,000,000
26 paid into the Fund during the prior State fiscal year under the

1 Retailers' Occupation Tax Act from tax on the sale of motor
2 fuel, as estimated by the Department of Revenue, that exceeded
3 the amount needed during that State fiscal year to meet debt
4 service requirements on the outstanding bonds and notes issued
5 in association with the Illinois Works Capital Program.
6 Immediately upon receipt of the certification, the Comptroller
7 shall order transferred and the Treasurer shall transfer the
8 amount certified from the Illinois Works Debt Service Fund to
9 the General Revenue Fund.

10 (230 ILCS 10/7.1 rep.)

11 Section 90-45. The Riverboat Gambling Act is amended by
12 repealing Section 7.1.

13 Section 90-50. The Liquor Control Act of 1934 is amended by
14 changing Sections 5-1 and 6-30 as follows:

15 (235 ILCS 5/5-1) (from Ch. 43, par. 115)

16 (Text of Section before amendment by P.A. 95-634)

17 Sec. 5-1. Licenses issued by the Illinois Liquor Control
18 Commission shall be of the following classes:

19 (a) Manufacturer's license - Class 1. Distiller, Class 2.
20 Rectifier, Class 3. Brewer, Class 4. First Class Wine
21 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
22 First Class Winemaker, Class 7. Second Class Winemaker, Class
23 8. Limited Wine Manufacturer,

- 1 (b) Distributor's license,
- 2 (c) Importing Distributor's license,
- 3 (d) Retailer's license,
- 4 (e) Special Event Retailer's license (not-for-profit),
- 5 (f) Railroad license,
- 6 (g) Boat license,
- 7 (h) Non-Beverage User's license,
- 8 (i) Wine-maker's premises license,
- 9 (j) Airplane license,
- 10 (k) Foreign importer's license,
- 11 (l) Broker's license,
- 12 (m) Non-resident dealer's license,
- 13 (n) Brew Pub license,
- 14 (o) Auction liquor license,
- 15 (p) Caterer retailer license,
- 16 (q) Special use permit license.

17 No person, firm, partnership, corporation, or other legal
18 business entity that is engaged in the manufacturing of wine
19 may concurrently obtain and hold a wine-maker's license and a
20 wine manufacturer's license.

21 (a) A manufacturer's license shall allow the manufacture,
22 importation in bulk, storage, distribution and sale of
23 alcoholic liquor to persons without the State, as may be
24 permitted by law and to licensees in this State as follows:

25 Class 1. A Distiller may make sales and deliveries of
26 alcoholic liquor to distillers, rectifiers, importing

1 distributors, distributors and non-beverage users and to no
2 other licensees.

3 Class 2. A Rectifier, who is not a distiller, as defined
4 herein, may make sales and deliveries of alcoholic liquor to
5 rectifiers, importing distributors, distributors, retailers
6 and non-beverage users and to no other licensees.

7 Class 3. A Brewer may make sales and deliveries of beer to
8 importing distributors, distributors, and to non-licensees,
9 and to retailers provided the brewer obtains an importing
10 distributor's license or distributor's license in accordance
11 with the provisions of this Act.

12 Class 4. A first class wine-manufacturer may make sales and
13 deliveries of up to 50,000 gallons of wine to manufacturers,
14 importing distributors and distributors, and to no other
15 licensees.

16 Class 5. A second class Wine manufacturer may make sales
17 and deliveries of more than 50,000 gallons of wine to
18 manufacturers, importing distributors and distributors and to
19 no other licensees.

20 Class 6. A first-class wine-maker's license shall allow the
21 manufacture of up to 50,000 gallons of wine per year, and the
22 storage and sale of such wine to distributors in the State and
23 to persons without the State, as may be permitted by law. A
24 first-class wine-maker's license shall allow the sale of no
25 more than 5,000 gallons of the licensee's wine to retailers.
26 The State Commission shall issue only one first-class

1 wine-maker's license to any person, firm, partnership,
2 corporation, or other legal business entity that is engaged in
3 the making of less than 50,000 gallons of wine annually that
4 applies for a first-class wine-maker's license. No subsidiary
5 or affiliate thereof, nor any officer, associate, member,
6 partner, representative, employee, agent, or shareholder may
7 be issued an additional wine-maker's license by the State
8 Commission.

9 Class 7. A second-class wine-maker's license shall allow
10 the manufacture of between 50,000 and 100,000 gallons of wine
11 per year, and the storage and sale of such wine to distributors
12 in this State and to persons without the State, as may be
13 permitted by law. A second-class wine-maker's license shall
14 allow the sale of no more than 10,000 gallons of the licensee's
15 wine directly to retailers. The State Commission shall issue
16 only one second-class wine-maker's license to any person, firm,
17 partnership, corporation, or other legal business entity that
18 is engaged in the making of less than 100,000 gallons of wine
19 annually that applies for a second-class wine-maker's license.
20 No subsidiary or affiliate thereof, or any officer, associate,
21 member, partner, representative, employee, agent, or
22 shareholder may be issued an additional wine-maker's license by
23 the State Commission.

24 Class 8. A limited wine-manufacturer may make sales and
25 deliveries not to exceed 40,000 gallons of wine per year to
26 distributors, and to non-licensees in accordance with the

1 provisions of this Act.

2 (a-1) A manufacturer which is licensed in this State to
3 make sales or deliveries of alcoholic liquor and which enlists
4 agents, representatives, or individuals acting on its behalf
5 who contact licensed retailers on a regular and continual basis
6 in this State must register those agents, representatives, or
7 persons acting on its behalf with the State Commission.

8 Registration of agents, representatives, or persons acting
9 on behalf of a manufacturer is fulfilled by submitting a form
10 to the Commission. The form shall be developed by the
11 Commission and shall include the name and address of the
12 applicant, the name and address of the manufacturer he or she
13 represents, the territory or areas assigned to sell to or
14 discuss pricing terms of alcoholic liquor, and any other
15 questions deemed appropriate and necessary. All statements in
16 the forms required to be made by law or by rule shall be deemed
17 material, and any person who knowingly misstates any material
18 fact under oath in an application is guilty of a Class B
19 misdemeanor. Fraud, misrepresentation, false statements,
20 misleading statements, evasions, or suppression of material
21 facts in the securing of a registration are grounds for
22 suspension or revocation of the registration.

23 (b) A distributor's license shall allow the wholesale
24 purchase and storage of alcoholic liquors and sale of alcoholic
25 liquors to licensees in this State and to persons without the
26 State, as may be permitted by law.

1 (c) An importing distributor's license may be issued to and
2 held by those only who are duly licensed distributors, upon the
3 filing of an application by a duly licensed distributor, with
4 the Commission and the Commission shall, without the payment of
5 any fee, immediately issue such importing distributor's
6 license to the applicant, which shall allow the importation of
7 alcoholic liquor by the licensee into this State from any point
8 in the United States outside this State, and the purchase of
9 alcoholic liquor in barrels, casks or other bulk containers and
10 the bottling of such alcoholic liquors before resale thereof,
11 but all bottles or containers so filled shall be sealed,
12 labeled, stamped and otherwise made to comply with all
13 provisions, rules and regulations governing manufacturers in
14 the preparation and bottling of alcoholic liquors. The
15 importing distributor's license shall permit such licensee to
16 purchase alcoholic liquor from Illinois licensed non-resident
17 dealers and foreign importers only.

18 (d) A retailer's license shall allow the licensee to sell
19 and offer for sale at retail, only in the premises specified in
20 the license, alcoholic liquor for use or consumption, but not
21 for resale in any form: Provided that any retail license issued
22 to a manufacturer shall only permit the manufacturer to sell
23 beer at retail on the premises actually occupied by the
24 manufacturer. For the purpose of further describing the type of
25 business conducted at a retail licensed premises, a retailer's
26 licensee may be designated by the State Commission as (i) an on

1 premise consumption retailer, (ii) an off premise sale
2 retailer, or (iii) a combined on premise consumption and off
3 premise sale retailer.

4 Notwithstanding any other provision of this subsection
5 (d), a retail licensee may sell alcoholic liquors to a special
6 event retailer licensee for resale to the extent permitted
7 under subsection (e).

8 (e) A special event retailer's license (not-for-profit)
9 shall permit the licensee to purchase alcoholic liquors from an
10 Illinois licensed distributor (unless the licensee purchases
11 less than \$500 of alcoholic liquors for the special event, in
12 which case the licensee may purchase the alcoholic liquors from
13 a licensed retailer) and shall allow the licensee to sell and
14 offer for sale, at retail, alcoholic liquors for use or
15 consumption, but not for resale in any form and only at the
16 location and on the specific dates designated for the special
17 event in the license. An applicant for a special event retailer
18 license must (i) furnish with the application: (A) a resale
19 number issued under Section 2c of the Retailers' Occupation Tax
20 Act or evidence that the applicant is registered under Section
21 2a of the Retailers' Occupation Tax Act, (B) a current, valid
22 exemption identification number issued under Section 1g of the
23 Retailers' Occupation Tax Act, and a certification to the
24 Commission that the purchase of alcoholic liquors will be a
25 tax-exempt purchase, or (C) a statement that the applicant is
26 not registered under Section 2a of the Retailers' Occupation

1 Tax Act, does not hold a resale number under Section 2c of the
2 Retailers' Occupation Tax Act, and does not hold an exemption
3 number under Section 1g of the Retailers' Occupation Tax Act,
4 in which event the Commission shall set forth on the special
5 event retailer's license a statement to that effect; (ii)
6 submit with the application proof satisfactory to the State
7 Commission that the applicant will provide dram shop liability
8 insurance in the maximum limits; and (iii) show proof
9 satisfactory to the State Commission that the applicant has
10 obtained local authority approval.

11 (f) A railroad license shall permit the licensee to import
12 alcoholic liquors into this State from any point in the United
13 States outside this State and to store such alcoholic liquors
14 in this State; to make wholesale purchases of alcoholic liquors
15 directly from manufacturers, foreign importers, distributors
16 and importing distributors from within or outside this State;
17 and to store such alcoholic liquors in this State; provided
18 that the above powers may be exercised only in connection with
19 the importation, purchase or storage of alcoholic liquors to be
20 sold or dispensed on a club, buffet, lounge or dining car
21 operated on an electric, gas or steam railway in this State;
22 and provided further, that railroad licensees exercising the
23 above powers shall be subject to all provisions of Article VIII
24 of this Act as applied to importing distributors. A railroad
25 license shall also permit the licensee to sell or dispense
26 alcoholic liquors on any club, buffet, lounge or dining car

1 operated on an electric, gas or steam railway regularly
 2 operated by a common carrier in this State, but shall not
 3 permit the sale for resale of any alcoholic liquors to any
 4 licensee within this State. A license shall be obtained for
 5 each car in which such sales are made.

6 (g) A boat license shall allow the sale of alcoholic liquor
 7 in individual drinks, on any passenger boat regularly operated
 8 as a common carrier on navigable waters in this State or on any
 9 riverboat operated under the Illinois Riverboat Gambling Act,
 10 which boat or riverboat maintains a public dining room or
 11 restaurant thereon.

12 A casino license shall allow the sale of alcoholic liquor
 13 in individual drinks at any casino gambling facility operated
 14 under the Illinois Gambling Act that maintains a public dining
 15 room or restaurant at that facility.

16 (h) A non-beverage user's license shall allow the licensee
 17 to purchase alcoholic liquor from a licensed manufacturer or
 18 importing distributor, without the imposition of any tax upon
 19 the business of such licensed manufacturer or importing
 20 distributor as to such alcoholic liquor to be used by such
 21 licensee solely for the non-beverage purposes set forth in
 22 subsection (a) of Section 8-1 of this Act, and such licenses
 23 shall be divided and classified and shall permit the purchase,
 24 possession and use of limited and stated quantities of
 25 alcoholic liquor as follows:

26 Class 1, not to exceed 500 gallons

- 1 Class 2, not to exceed 1,000 gallons
- 2 Class 3, not to exceed 5,000 gallons
- 3 Class 4, not to exceed 10,000 gallons
- 4 Class 5, not to exceed 50,000 gallons

5 (i) A wine-maker's premises license shall allow a licensee
6 that concurrently holds a first-class wine-maker's license to
7 sell and offer for sale at retail in the premises specified in
8 such license not more than 50,000 gallons of the first-class
9 wine-maker's wine that is made at the first-class wine-maker's
10 licensed premises per year for use or consumption, but not for
11 resale in any form. A wine-maker's premises license shall allow
12 a licensee who concurrently holds a second-class wine-maker's
13 license to sell and offer for sale at retail in the premises
14 specified in such license up to 100,000 gallons of the
15 second-class wine-maker's wine that is made at the second-class
16 wine-maker's licensed premises per year for use or consumption
17 but not for resale in any form. A wine-maker's premises license
18 shall allow a licensee that concurrently holds a first-class
19 wine-maker's license or a second-class wine-maker's license to
20 sell and offer for sale at retail at the premises specified in
21 the wine-maker's premises license, for use or consumption but
22 not for resale in any form, any beer, wine, and spirits
23 purchased from a licensed distributor. Upon approval from the
24 State Commission, a wine-maker's premises license shall allow
25 the licensee to sell and offer for sale at (i) the wine-maker's
26 licensed premises and (ii) at up to 2 additional locations for

1 use and consumption and not for resale. Each location shall
2 require additional licensing per location as specified in
3 Section 5-3 of this Act.

4 (j) An airplane license shall permit the licensee to import
5 alcoholic liquors into this State from any point in the United
6 States outside this State and to store such alcoholic liquors
7 in this State; to make wholesale purchases of alcoholic liquors
8 directly from manufacturers, foreign importers, distributors
9 and importing distributors from within or outside this State;
10 and to store such alcoholic liquors in this State; provided
11 that the above powers may be exercised only in connection with
12 the importation, purchase or storage of alcoholic liquors to be
13 sold or dispensed on an airplane; and provided further, that
14 airplane licensees exercising the above powers shall be subject
15 to all provisions of Article VIII of this Act as applied to
16 importing distributors. An airplane licensee shall also permit
17 the sale or dispensing of alcoholic liquors on any passenger
18 airplane regularly operated by a common carrier in this State,
19 but shall not permit the sale for resale of any alcoholic
20 liquors to any licensee within this State. A single airplane
21 license shall be required of an airline company if liquor
22 service is provided on board aircraft in this State. The annual
23 fee for such license shall be as determined in Section 5-3.

24 (k) A foreign importer's license shall permit such licensee
25 to purchase alcoholic liquor from Illinois licensed
26 non-resident dealers only, and to import alcoholic liquor other

1 than in bulk from any point outside the United States and to
2 sell such alcoholic liquor to Illinois licensed importing
3 distributors and to no one else in Illinois; provided that the
4 foreign importer registers with the State Commission every
5 brand of alcoholic liquor that it proposes to sell to Illinois
6 licensees during the license period and provided further that
7 the foreign importer complies with all of the provisions of
8 Section 6-9 of this Act with respect to registration of such
9 Illinois licensees as may be granted the right to sell such
10 brands at wholesale.

11 (1) (i) A broker's license shall be required of all persons
12 who solicit orders for, offer to sell or offer to supply
13 alcoholic liquor to retailers in the State of Illinois, or who
14 offer to retailers to ship or cause to be shipped or to make
15 contact with distillers, rectifiers, brewers or manufacturers
16 or any other party within or without the State of Illinois in
17 order that alcoholic liquors be shipped to a distributor,
18 importing distributor or foreign importer, whether such
19 solicitation or offer is consummated within or without the
20 State of Illinois.

21 No holder of a retailer's license issued by the Illinois
22 Liquor Control Commission shall purchase or receive any
23 alcoholic liquor, the order for which was solicited or offered
24 for sale to such retailer by a broker unless the broker is the
25 holder of a valid broker's license.

26 The broker shall, upon the acceptance by a retailer of the

1 broker's solicitation of an order or offer to sell or supply or
2 deliver or have delivered alcoholic liquors, promptly forward
3 to the Illinois Liquor Control Commission a notification of
4 said transaction in such form as the Commission may by
5 regulations prescribe.

6 (ii) A broker's license shall be required of a person
7 within this State, other than a retail licensee, who, for a fee
8 or commission, promotes, solicits, or accepts orders for
9 alcoholic liquor, for use or consumption and not for resale, to
10 be shipped from this State and delivered to residents outside
11 of this State by an express company, common carrier, or
12 contract carrier. This Section does not apply to any person who
13 promotes, solicits, or accepts orders for wine as specifically
14 authorized in Section 6-29 of this Act.

15 A broker's license under this subsection (1) shall not
16 entitle the holder to buy or sell any alcoholic liquors for his
17 own account or to take or deliver title to such alcoholic
18 liquors.

19 This subsection (1) shall not apply to distributors,
20 employees of distributors, or employees of a manufacturer who
21 has registered the trademark, brand or name of the alcoholic
22 liquor pursuant to Section 6-9 of this Act, and who regularly
23 sells such alcoholic liquor in the State of Illinois only to
24 its registrants thereunder.

25 Any agent, representative, or person subject to
26 registration pursuant to subsection (a-1) of this Section shall

1 not be eligible to receive a broker's license.

2 (m) A non-resident dealer's license shall permit such
3 licensee to ship into and warehouse alcoholic liquor into this
4 State from any point outside of this State, and to sell such
5 alcoholic liquor to Illinois licensed foreign importers and
6 importing distributors and to no one else in this State;
7 provided that said non-resident dealer shall register with the
8 Illinois Liquor Control Commission each and every brand of
9 alcoholic liquor which it proposes to sell to Illinois
10 licensees during the license period; and further provided that
11 it shall comply with all of the provisions of Section 6-9
12 hereof with respect to registration of such Illinois licensees
13 as may be granted the right to sell such brands at wholesale.

14 (n) A brew pub license shall allow the licensee to
15 manufacture beer only on the premises specified in the license,
16 to make sales of the beer manufactured on the premises to
17 importing distributors, distributors, and to non-licensees for
18 use and consumption, to store the beer upon the premises, and
19 to sell and offer for sale at retail from the licensed
20 premises, provided that a brew pub licensee shall not sell for
21 off-premises consumption more than 50,000 gallons per year.

22 (o) A caterer retailer license shall allow the holder to
23 serve alcoholic liquors as an incidental part of a food service
24 that serves prepared meals which excludes the serving of snacks
25 as the primary meal, either on or off-site whether licensed or
26 unlicensed.

1 (p) An auction liquor license shall allow the licensee to
2 sell and offer for sale at auction wine and spirits for use or
3 consumption, or for resale by an Illinois liquor licensee in
4 accordance with provisions of this Act. An auction liquor
5 license will be issued to a person and it will permit the
6 auction liquor licensee to hold the auction anywhere in the
7 State. An auction liquor license must be obtained for each
8 auction at least 14 days in advance of the auction date.

9 (q) A special use permit license shall allow an Illinois
10 licensed retailer to transfer a portion of its alcoholic liquor
11 inventory from its retail licensed premises to the premises
12 specified in the license hereby created, and to sell or offer
13 for sale at retail, only in the premises specified in the
14 license hereby created, the transferred alcoholic liquor for
15 use or consumption, but not for resale in any form. A special
16 use permit license may be granted for the following time
17 periods: one day or less; 2 or more days to a maximum of 15 days
18 per location in any 12 month period. An applicant for the
19 special use permit license must also submit with the
20 application proof satisfactory to the State Commission that the
21 applicant will provide dram shop liability insurance to the
22 maximum limits and have local authority approval.

23 (Source: P.A. 95-331, eff. 8-21-07.)

24 (Text of Section after amendment by P.A. 95-634)

25 Sec. 5-1. Licenses issued by the Illinois Liquor Control

1 Commission shall be of the following classes:

2 (a) Manufacturer's license - Class 1. Distiller, Class 2.
3 Rectifier, Class 3. Brewer, Class 4. First Class Wine
4 Manufacturer, Class 5. Second Class Wine Manufacturer, Class 6.
5 First Class Winemaker, Class 7. Second Class Winemaker, Class
6 8. Limited Wine Manufacturer,

7 (b) Distributor's license,

8 (c) Importing Distributor's license,

9 (d) Retailer's license,

10 (e) Special Event Retailer's license (not-for-profit),

11 (f) Railroad license,

12 (g) Boat license,

13 (h) Non-Beverage User's license,

14 (i) Wine-maker's premises license,

15 (j) Airplane license,

16 (k) Foreign importer's license,

17 (l) Broker's license,

18 (m) Non-resident dealer's license,

19 (n) Brew Pub license,

20 (o) Auction liquor license,

21 (p) Caterer retailer license,

22 (q) Special use permit license,

23 (r) Winery shipper's license.

24 No person, firm, partnership, corporation, or other legal
25 business entity that is engaged in the manufacturing of wine
26 may concurrently obtain and hold a wine-maker's license and a

1 wine manufacturer's license.

2 (a) A manufacturer's license shall allow the manufacture,
3 importation in bulk, storage, distribution and sale of
4 alcoholic liquor to persons without the State, as may be
5 permitted by law and to licensees in this State as follows:

6 Class 1. A Distiller may make sales and deliveries of
7 alcoholic liquor to distillers, rectifiers, importing
8 distributors, distributors and non-beverage users and to no
9 other licensees.

10 Class 2. A Rectifier, who is not a distiller, as defined
11 herein, may make sales and deliveries of alcoholic liquor to
12 rectifiers, importing distributors, distributors, retailers
13 and non-beverage users and to no other licensees.

14 Class 3. A Brewer may make sales and deliveries of beer to
15 importing distributors, distributors, and to non-licensees,
16 and to retailers provided the brewer obtains an importing
17 distributor's license or distributor's license in accordance
18 with the provisions of this Act.

19 Class 4. A first class wine-manufacturer may make sales and
20 deliveries of up to 50,000 gallons of wine to manufacturers,
21 importing distributors and distributors, and to no other
22 licensees.

23 Class 5. A second class Wine manufacturer may make sales
24 and deliveries of more than 50,000 gallons of wine to
25 manufacturers, importing distributors and distributors and to
26 no other licensees.

1 Class 6. A first-class wine-maker's license shall allow the
2 manufacture of up to 50,000 gallons of wine per year, and the
3 storage and sale of such wine to distributors in the State and
4 to persons without the State, as may be permitted by law. A
5 person who, prior to the effective date of this amendatory Act
6 of the 95th General Assembly, is a holder of a first-class
7 wine-maker's license and annually produces more than 25,000
8 gallons of its own wine and who distributes its wine to
9 licensed retailers shall cease this practice on or before July
10 1, 2008 in compliance with this amendatory Act of the 95th
11 General Assembly.

12 Class 7. A second-class wine-maker's license shall allow
13 the manufacture of between 50,000 and 150,000 gallons of wine
14 per year, and the storage and sale of such wine to distributors
15 in this State and to persons without the State, as may be
16 permitted by law. A person who, prior to the effective date of
17 this amendatory Act of the 95th General Assembly, is a holder
18 of a second-class wine-maker's license and annually produces
19 more than 25,000 gallons of its own wine and who distributes
20 its wine to licensed retailers shall cease this practice on or
21 before July 1, 2008 in compliance with this amendatory Act of
22 the 95th General Assembly.

23 Class 8. A limited wine-manufacturer may make sales and
24 deliveries not to exceed 40,000 gallons of wine per year to
25 distributors, and to non-licensees in accordance with the
26 provisions of this Act.

1 (a-1) A manufacturer which is licensed in this State to
2 make sales or deliveries of alcoholic liquor and which enlists
3 agents, representatives, or individuals acting on its behalf
4 who contact licensed retailers on a regular and continual basis
5 in this State must register those agents, representatives, or
6 persons acting on its behalf with the State Commission.

7 Registration of agents, representatives, or persons acting
8 on behalf of a manufacturer is fulfilled by submitting a form
9 to the Commission. The form shall be developed by the
10 Commission and shall include the name and address of the
11 applicant, the name and address of the manufacturer he or she
12 represents, the territory or areas assigned to sell to or
13 discuss pricing terms of alcoholic liquor, and any other
14 questions deemed appropriate and necessary. All statements in
15 the forms required to be made by law or by rule shall be deemed
16 material, and any person who knowingly misstates any material
17 fact under oath in an application is guilty of a Class B
18 misdemeanor. Fraud, misrepresentation, false statements,
19 misleading statements, evasions, or suppression of material
20 facts in the securing of a registration are grounds for
21 suspension or revocation of the registration.

22 (b) A distributor's license shall allow the wholesale
23 purchase and storage of alcoholic liquors and sale of alcoholic
24 liquors to licensees in this State and to persons without the
25 State, as may be permitted by law.

26 (c) An importing distributor's license may be issued to and

1 held by those only who are duly licensed distributors, upon the
2 filing of an application by a duly licensed distributor, with
3 the Commission and the Commission shall, without the payment of
4 any fee, immediately issue such importing distributor's
5 license to the applicant, which shall allow the importation of
6 alcoholic liquor by the licensee into this State from any point
7 in the United States outside this State, and the purchase of
8 alcoholic liquor in barrels, casks or other bulk containers and
9 the bottling of such alcoholic liquors before resale thereof,
10 but all bottles or containers so filled shall be sealed,
11 labeled, stamped and otherwise made to comply with all
12 provisions, rules and regulations governing manufacturers in
13 the preparation and bottling of alcoholic liquors. The
14 importing distributor's license shall permit such licensee to
15 purchase alcoholic liquor from Illinois licensed non-resident
16 dealers and foreign importers only.

17 (d) A retailer's license shall allow the licensee to sell
18 and offer for sale at retail, only in the premises specified in
19 the license, alcoholic liquor for use or consumption, but not
20 for resale in any form. Nothing in this amendatory Act of the
21 95th General Assembly shall deny, limit, remove, or restrict
22 the ability of a holder of a retailer's license to transfer,
23 deliver, or ship alcoholic liquor to the purchaser for use or
24 consumption subject to any applicable local law or ordinance.
25 Any retail license issued to a manufacturer shall only permit
26 the manufacturer to sell beer at retail on the premises

1 actually occupied by the manufacturer. For the purpose of
2 further describing the type of business conducted at a retail
3 licensed premises, a retailer's licensee may be designated by
4 the State Commission as (i) an on premise consumption retailer,
5 (ii) an off premise sale retailer, or (iii) a combined on
6 premise consumption and off premise sale retailer.

7 Notwithstanding any other provision of this subsection
8 (d), a retail licensee may sell alcoholic liquors to a special
9 event retailer licensee for resale to the extent permitted
10 under subsection (e).

11 (e) A special event retailer's license (not-for-profit)
12 shall permit the licensee to purchase alcoholic liquors from an
13 Illinois licensed distributor (unless the licensee purchases
14 less than \$500 of alcoholic liquors for the special event, in
15 which case the licensee may purchase the alcoholic liquors from
16 a licensed retailer) and shall allow the licensee to sell and
17 offer for sale, at retail, alcoholic liquors for use or
18 consumption, but not for resale in any form and only at the
19 location and on the specific dates designated for the special
20 event in the license. An applicant for a special event retailer
21 license must (i) furnish with the application: (A) a resale
22 number issued under Section 2c of the Retailers' Occupation Tax
23 Act or evidence that the applicant is registered under Section
24 2a of the Retailers' Occupation Tax Act, (B) a current, valid
25 exemption identification number issued under Section 1g of the
26 Retailers' Occupation Tax Act, and a certification to the

1 Commission that the purchase of alcoholic liquors will be a
2 tax-exempt purchase, or (C) a statement that the applicant is
3 not registered under Section 2a of the Retailers' Occupation
4 Tax Act, does not hold a resale number under Section 2c of the
5 Retailers' Occupation Tax Act, and does not hold an exemption
6 number under Section 1g of the Retailers' Occupation Tax Act,
7 in which event the Commission shall set forth on the special
8 event retailer's license a statement to that effect; (ii)
9 submit with the application proof satisfactory to the State
10 Commission that the applicant will provide dram shop liability
11 insurance in the maximum limits; and (iii) show proof
12 satisfactory to the State Commission that the applicant has
13 obtained local authority approval.

14 (f) A railroad license shall permit the licensee to import
15 alcoholic liquors into this State from any point in the United
16 States outside this State and to store such alcoholic liquors
17 in this State; to make wholesale purchases of alcoholic liquors
18 directly from manufacturers, foreign importers, distributors
19 and importing distributors from within or outside this State;
20 and to store such alcoholic liquors in this State; provided
21 that the above powers may be exercised only in connection with
22 the importation, purchase or storage of alcoholic liquors to be
23 sold or dispensed on a club, buffet, lounge or dining car
24 operated on an electric, gas or steam railway in this State;
25 and provided further, that railroad licensees exercising the
26 above powers shall be subject to all provisions of Article VIII

1 of this Act as applied to importing distributors. A railroad
2 license shall also permit the licensee to sell or dispense
3 alcoholic liquors on any club, buffet, lounge or dining car
4 operated on an electric, gas or steam railway regularly
5 operated by a common carrier in this State, but shall not
6 permit the sale for resale of any alcoholic liquors to any
7 licensee within this State. A license shall be obtained for
8 each car in which such sales are made.

9 (g) A boat license shall allow the sale of alcoholic liquor
10 in individual drinks, on any passenger boat regularly operated
11 as a common carrier on navigable waters in this State or on any
12 riverboat operated under the Illinois Riverboat Gambling Act,
13 which boat or riverboat maintains a public dining room or
14 restaurant thereon.

15 A casino license shall allow the sale of alcoholic liquor
16 in individual drinks at any casino gambling facility operated
17 under the Illinois Gambling Act that maintains a public dining
18 room or restaurant at that facility.

19 (h) A non-beverage user's license shall allow the licensee
20 to purchase alcoholic liquor from a licensed manufacturer or
21 importing distributor, without the imposition of any tax upon
22 the business of such licensed manufacturer or importing
23 distributor as to such alcoholic liquor to be used by such
24 licensee solely for the non-beverage purposes set forth in
25 subsection (a) of Section 8-1 of this Act, and such licenses
26 shall be divided and classified and shall permit the purchase,

1 possession and use of limited and stated quantities of
2 alcoholic liquor as follows:

- 3 Class 1, not to exceed 500 gallons
- 4 Class 2, not to exceed 1,000 gallons
- 5 Class 3, not to exceed 5,000 gallons
- 6 Class 4, not to exceed 10,000 gallons
- 7 Class 5, not to exceed 50,000 gallons

8 (i) A wine-maker's premises license shall allow a licensee
 9 that concurrently holds a first-class wine-maker's license to
 10 sell and offer for sale at retail in the premises specified in
 11 such license not more than 50,000 gallons of the first-class
 12 wine-maker's wine that is made at the first-class wine-maker's
 13 licensed premises per year for use or consumption, but not for
 14 resale in any form. A wine-maker's premises license shall allow
 15 a licensee who concurrently holds a second-class wine-maker's
 16 license to sell and offer for sale at retail in the premises
 17 specified in such license up to 100,000 gallons of the
 18 second-class wine-maker's wine that is made at the second-class
 19 wine-maker's licensed premises per year for use or consumption
 20 but not for resale in any form. A wine-maker's premises license
 21 shall allow a licensee that concurrently holds a first-class
 22 wine-maker's license or a second-class wine-maker's license to
 23 sell and offer for sale at retail at the premises specified in
 24 the wine-maker's premises license, for use or consumption but
 25 not for resale in any form, any beer, wine, and spirits
 26 purchased from a licensed distributor. Upon approval from the

1 State Commission, a wine-maker's premises license shall allow
2 the licensee to sell and offer for sale at (i) the wine-maker's
3 licensed premises and (ii) at up to 2 additional locations for
4 use and consumption and not for resale. Each location shall
5 require additional licensing per location as specified in
6 Section 5-3 of this Act. A wine-maker's premises licensee shall
7 secure liquor liability insurance coverage in an amount at
8 least equal to the maximum liability amounts set forth in
9 subsection (a) of Section 6-21 of this Act.

10 (j) An airplane license shall permit the licensee to import
11 alcoholic liquors into this State from any point in the United
12 States outside this State and to store such alcoholic liquors
13 in this State; to make wholesale purchases of alcoholic liquors
14 directly from manufacturers, foreign importers, distributors
15 and importing distributors from within or outside this State;
16 and to store such alcoholic liquors in this State; provided
17 that the above powers may be exercised only in connection with
18 the importation, purchase or storage of alcoholic liquors to be
19 sold or dispensed on an airplane; and provided further, that
20 airplane licensees exercising the above powers shall be subject
21 to all provisions of Article VIII of this Act as applied to
22 importing distributors. An airplane licensee shall also permit
23 the sale or dispensing of alcoholic liquors on any passenger
24 airplane regularly operated by a common carrier in this State,
25 but shall not permit the sale for resale of any alcoholic
26 liquors to any licensee within this State. A single airplane

1 license shall be required of an airline company if liquor
2 service is provided on board aircraft in this State. The annual
3 fee for such license shall be as determined in Section 5-3.

4 (k) A foreign importer's license shall permit such licensee
5 to purchase alcoholic liquor from Illinois licensed
6 non-resident dealers only, and to import alcoholic liquor other
7 than in bulk from any point outside the United States and to
8 sell such alcoholic liquor to Illinois licensed importing
9 distributors and to no one else in Illinois; provided that the
10 foreign importer registers with the State Commission every
11 brand of alcoholic liquor that it proposes to sell to Illinois
12 licensees during the license period and provided further that
13 the foreign importer complies with all of the provisions of
14 Section 6-9 of this Act with respect to registration of such
15 Illinois licensees as may be granted the right to sell such
16 brands at wholesale.

17 (l) (i) A broker's license shall be required of all persons
18 who solicit orders for, offer to sell or offer to supply
19 alcoholic liquor to retailers in the State of Illinois, or who
20 offer to retailers to ship or cause to be shipped or to make
21 contact with distillers, rectifiers, brewers or manufacturers
22 or any other party within or without the State of Illinois in
23 order that alcoholic liquors be shipped to a distributor,
24 importing distributor or foreign importer, whether such
25 solicitation or offer is consummated within or without the
26 State of Illinois.

1 No holder of a retailer's license issued by the Illinois
2 Liquor Control Commission shall purchase or receive any
3 alcoholic liquor, the order for which was solicited or offered
4 for sale to such retailer by a broker unless the broker is the
5 holder of a valid broker's license.

6 The broker shall, upon the acceptance by a retailer of the
7 broker's solicitation of an order or offer to sell or supply or
8 deliver or have delivered alcoholic liquors, promptly forward
9 to the Illinois Liquor Control Commission a notification of
10 said transaction in such form as the Commission may by
11 regulations prescribe.

12 (ii) A broker's license shall be required of a person
13 within this State, other than a retail licensee, who, for a fee
14 or commission, promotes, solicits, or accepts orders for
15 alcoholic liquor, for use or consumption and not for resale, to
16 be shipped from this State and delivered to residents outside
17 of this State by an express company, common carrier, or
18 contract carrier. This Section does not apply to any person who
19 promotes, solicits, or accepts orders for wine as specifically
20 authorized in Section 6-29 of this Act.

21 A broker's license under this subsection (1) shall not
22 entitle the holder to buy or sell any alcoholic liquors for his
23 own account or to take or deliver title to such alcoholic
24 liquors.

25 This subsection (1) shall not apply to distributors,
26 employees of distributors, or employees of a manufacturer who

1 has registered the trademark, brand or name of the alcoholic
2 liquor pursuant to Section 6-9 of this Act, and who regularly
3 sells such alcoholic liquor in the State of Illinois only to
4 its registrants thereunder.

5 Any agent, representative, or person subject to
6 registration pursuant to subsection (a-1) of this Section shall
7 not be eligible to receive a broker's license.

8 (m) A non-resident dealer's license shall permit such
9 licensee to ship into and warehouse alcoholic liquor into this
10 State from any point outside of this State, and to sell such
11 alcoholic liquor to Illinois licensed foreign importers and
12 importing distributors and to no one else in this State;
13 provided that said non-resident dealer shall register with the
14 Illinois Liquor Control Commission each and every brand of
15 alcoholic liquor which it proposes to sell to Illinois
16 licensees during the license period; and further provided that
17 it shall comply with all of the provisions of Section 6-9
18 hereof with respect to registration of such Illinois licensees
19 as may be granted the right to sell such brands at wholesale.

20 (n) A brew pub license shall allow the licensee to
21 manufacture beer only on the premises specified in the license,
22 to make sales of the beer manufactured on the premises to
23 importing distributors, distributors, and to non-licensees for
24 use and consumption, to store the beer upon the premises, and
25 to sell and offer for sale at retail from the licensed
26 premises, provided that a brew pub licensee shall not sell for

1 off-premises consumption more than 50,000 gallons per year.

2 (o) A caterer retailer license shall allow the holder to
3 serve alcoholic liquors as an incidental part of a food service
4 that serves prepared meals which excludes the serving of snacks
5 as the primary meal, either on or off-site whether licensed or
6 unlicensed.

7 (p) An auction liquor license shall allow the licensee to
8 sell and offer for sale at auction wine and spirits for use or
9 consumption, or for resale by an Illinois liquor licensee in
10 accordance with provisions of this Act. An auction liquor
11 license will be issued to a person and it will permit the
12 auction liquor licensee to hold the auction anywhere in the
13 State. An auction liquor license must be obtained for each
14 auction at least 14 days in advance of the auction date.

15 (q) A special use permit license shall allow an Illinois
16 licensed retailer to transfer a portion of its alcoholic liquor
17 inventory from its retail licensed premises to the premises
18 specified in the license hereby created, and to sell or offer
19 for sale at retail, only in the premises specified in the
20 license hereby created, the transferred alcoholic liquor for
21 use or consumption, but not for resale in any form. A special
22 use permit license may be granted for the following time
23 periods: one day or less; 2 or more days to a maximum of 15 days
24 per location in any 12 month period. An applicant for the
25 special use permit license must also submit with the
26 application proof satisfactory to the State Commission that the

1 applicant will provide dram shop liability insurance to the
2 maximum limits and have local authority approval.

3 (r) A winery shipper's license shall allow a person with a
4 first-class or second-class wine manufacturer's license, a
5 first-class or second-class wine-maker's license, or a limited
6 wine manufacturer's license or who is licensed to make wine
7 under the laws of another state to ship wine made by that
8 licensee directly to a resident of this State who is 21 years
9 of age or older for that resident's personal use and not for
10 resale. Prior to receiving a winery shipper's license, an
11 applicant for the license must provide the Commission with a
12 true copy of its current license in any state in which it is
13 licensed as a manufacturer of wine. An applicant for a winery
14 shipper's license must also complete an application form that
15 provides any other information the Commission deems necessary.
16 The application form shall include an acknowledgement
17 consenting to the jurisdiction of the Commission, the Illinois
18 Department of Revenue, and the courts of this State concerning
19 the enforcement of this Act and any related laws, rules, and
20 regulations, including authorizing the Department of Revenue
21 and the Commission to conduct audits for the purpose of
22 ensuring compliance with this amendatory Act.

23 A winery shipper licensee must pay to the Department of
24 Revenue the State liquor gallonage tax under Section 8-1 for
25 all wine that is sold by the licensee and shipped to a person
26 in this State. For the purposes of Section 8-1, a winery

1 shipper licensee shall be taxed in the same manner as a
2 manufacturer of wine. A licensee who is not otherwise required
3 to register under the Retailers' Occupation Tax Act must
4 register under the Use Tax Act to collect and remit use tax to
5 the Department of Revenue for all gallons of wine that are sold
6 by the licensee and shipped to persons in this State. If a
7 licensee fails to remit the tax imposed under this Act in
8 accordance with the provisions of Article VIII of this Act, the
9 winery shipper's license shall be revoked in accordance with
10 the provisions of Article VII of this Act. If a licensee fails
11 to properly register and remit tax under the Use Tax Act or the
12 Retailers' Occupation Tax Act for all wine that is sold by the
13 winery shipper and shipped to persons in this State, the winery
14 shipper's license shall be revoked in accordance with the
15 provisions of Article VII of this Act.

16 A winery shipper licensee must collect, maintain, and
17 submit to the Commission on a semi-annual basis the total
18 number of cases per resident of wine shipped to residents of
19 this State. A winery shipper licensed under this subsection (r)
20 must comply with the requirements of Section 6-29 of this
21 amendatory Act.

22 (Source: P.A. 95-331, eff. 8-21-07; 95-634, eff. 6-1-08.)

23 (235 ILCS 5/6-30) (from Ch. 43, par. 144f)

24 Sec. 6-30. Notwithstanding any other provision of this Act,
25 the Illinois Gaming Board shall have exclusive authority to

1 establish the hours for sale and consumption of alcoholic
2 liquor at a casino or on board a riverboat during riverboat
3 gambling excursions conducted in accordance with the Illinois
4 ~~Riverboat~~ Gambling Act.

5 (Source: P.A. 87-826.)

6 Section 90-55. The Criminal Code of 1961 is amended by
7 changing Sections 28-1, 28-1.1, 28-3, 28-5, and 28-7 as
8 follows:

9 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

10 Sec. 28-1. Gambling.

11 (a) A person commits gambling when he:

12 (1) Plays a game of chance or skill for money or other
13 thing of value, unless excepted in subsection (b) of this
14 Section; or

15 (2) Makes a wager upon the result of any game, contest,
16 or any political nomination, appointment or election; or

17 (3) Operates, keeps, owns, uses, purchases, exhibits,
18 rents, sells, bargains for the sale or lease of,
19 manufactures or distributes any gambling device; or

20 (4) Contracts to have or give himself or another the
21 option to buy or sell, or contracts to buy or sell, at a
22 future time, any grain or other commodity whatsoever, or
23 any stock or security of any company, where it is at the
24 time of making such contract intended by both parties

1 thereto that the contract to buy or sell, or the option,
2 whenever exercised, or the contract resulting therefrom,
3 shall be settled, not by the receipt or delivery of such
4 property, but by the payment only of differences in prices
5 thereof; however, the issuance, purchase, sale, exercise,
6 endorsement or guarantee, by or through a person registered
7 with the Secretary of State pursuant to Section 8 of the
8 Illinois Securities Law of 1953, or by or through a person
9 exempt from such registration under said Section 8, of a
10 put, call, or other option to buy or sell securities which
11 have been registered with the Secretary of State or which
12 are exempt from such registration under Section 3 of the
13 Illinois Securities Law of 1953 is not gambling within the
14 meaning of this paragraph (4); or

15 (5) Knowingly owns or possesses any book, instrument or
16 apparatus by means of which bets or wagers have been, or
17 are, recorded or registered, or knowingly possesses any
18 money which he has received in the course of a bet or
19 wager; or

20 (6) Sells pools upon the result of any game or contest
21 of skill or chance, political nomination, appointment or
22 election; or

23 (7) Sets up or promotes any lottery or sells, offers to
24 sell or transfers any ticket or share for any lottery; or

25 (8) Sets up or promotes any policy game or sells,
26 offers to sell or knowingly possesses or transfers any

1 policy ticket, slip, record, document or other similar
2 device; or

3 (9) Knowingly drafts, prints or publishes any lottery
4 ticket or share, or any policy ticket, slip, record,
5 document or similar device, except for such activity
6 related to lotteries, bingo games and raffles authorized by
7 and conducted in accordance with the laws of Illinois or
8 any other state or foreign government; or

9 (10) Knowingly advertises any lottery or policy game,
10 except for such activity related to lotteries, bingo games
11 and raffles authorized by and conducted in accordance with
12 the laws of Illinois or any other state; or

13 (11) Knowingly transmits information as to wagers,
14 betting odds, or changes in betting odds by telephone,
15 telegraph, radio, semaphore or similar means; or knowingly
16 installs or maintains equipment for the transmission or
17 receipt of such information; except that nothing in this
18 subdivision (11) prohibits transmission or receipt of such
19 information for use in news reporting of sporting events or
20 contests; or

21 (12) Knowingly establishes, maintains, or operates an
22 Internet site that permits a person to play a game of
23 chance or skill for money or other thing of value by means
24 of the Internet or to make a wager upon the result of any
25 game, contest, political nomination, appointment, or
26 election by means of the Internet.

1 (b) Participants in any of the following activities shall
2 not be convicted of gambling therefor:

3 (1) Agreements to compensate for loss caused by the
4 happening of chance including without limitation contracts
5 of indemnity or guaranty and life or health or accident
6 insurance;

7 (2) Offers of prizes, award or compensation to the
8 actual contestants in any bona fide contest for the
9 determination of skill, speed, strength or endurance or to
10 the owners of animals or vehicles entered in such contest;

11 (3) Pari-mutuel betting as authorized by the law of
12 this State;

13 (4) Manufacture of gambling devices, including the
14 acquisition of essential parts therefor and the assembly
15 thereof, for transportation in interstate or foreign
16 commerce to any place outside this State when such
17 transportation is not prohibited by any applicable Federal
18 law;

19 (5) The game commonly known as "bingo", when conducted
20 in accordance with the Bingo License and Tax Act;

21 (6) Lotteries when conducted by the State of Illinois
22 in accordance with the Illinois Lottery Law;

23 (7) Possession of an antique slot machine that is
24 neither used nor intended to be used in the operation or
25 promotion of any unlawful gambling activity or enterprise.
26 For the purpose of this subparagraph (b)(7), an antique

1 slot machine is one manufactured 25 years ago or earlier;

2 (8) Raffles when conducted in accordance with the
3 Raffles Act;

4 (9) Charitable games when conducted in accordance with
5 the Charitable Games Act;

6 (10) Pull tabs and jar games when conducted under the
7 Illinois Pull Tabs and Jar Games Act; or

8 (11) Gambling games ~~conducted on riverboats~~ when
9 authorized by the Illinois Riverboat Gambling Act.

10 (c) Sentence.

11 Gambling under subsection (a) (1) or (a) (2) of this Section
12 is a Class A misdemeanor. Gambling under any of subsections
13 (a) (3) through (a) (11) of this Section is a Class A
14 misdemeanor. A second or subsequent conviction under any of
15 subsections (a) (3) through (a) (11), is a Class 4 felony.
16 Gambling under subsection (a) (12) of this Section is a Class A
17 misdemeanor. A second or subsequent conviction under
18 subsection (a) (12) is a Class 4 felony.

19 (d) Circumstantial evidence.

20 In prosecutions under subsection (a) (1) through (a) (12) of
21 this Section circumstantial evidence shall have the same
22 validity and weight as in any criminal prosecution.

23 (Source: P.A. 91-257, eff. 1-1-00.)

24 (720 ILCS 5/28-1.1) (from Ch. 38, par. 28-1.1)

25 Sec. 28-1.1. Syndicated gambling.

1 (a) Declaration of Purpose. Recognizing the close
2 relationship between professional gambling and other organized
3 crime, it is declared to be the policy of the legislature to
4 restrain persons from engaging in the business of gambling for
5 profit in this State. This Section shall be liberally construed
6 and administered with a view to carrying out this policy.

7 (b) A person commits syndicated gambling when he operates a
8 "policy game" or engages in the business of bookmaking.

9 (c) A person "operates a policy game" when he knowingly
10 uses any premises or property for the purpose of receiving or
11 knowingly does receive from what is commonly called "policy":

12 (1) money from a person other than the better or player
13 whose bets or plays are represented by such money; or

14 (2) written "policy game" records, made or used over
15 any period of time, from a person other than the better or
16 player whose bets or plays are represented by such written
17 record.

18 (d) A person engages in bookmaking when he receives or
19 accepts more than five bets or wagers upon the result of any
20 trials or contests of skill, speed or power of endurance or
21 upon any lot, chance, casualty, unknown or contingent event
22 whatsoever, which bets or wagers shall be of such size that the
23 total of the amounts of money paid or promised to be paid to
24 such bookmaker on account thereof shall exceed \$2,000.
25 Bookmaking is the receiving or accepting of such bets or wagers
26 regardless of the form or manner in which the bookmaker records

1 them.

2 (e) Participants in any of the following activities shall
3 not be convicted of syndicated gambling:

4 (1) Agreements to compensate for loss caused by the
5 happening of chance including without limitation contracts
6 of indemnity or guaranty and life or health or accident
7 insurance; and

8 (2) Offers of prizes, award or compensation to the
9 actual contestants in any bona fide contest for the
10 determination of skill, speed, strength or endurance or to
11 the owners of animals or vehicles entered in such contest;
12 and

13 (3) Pari-mutuel betting as authorized by law of this
14 State; and

15 (4) Manufacture of gambling devices, including the
16 acquisition of essential parts therefor and the assembly
17 thereof, for transportation in interstate or foreign
18 commerce to any place outside this State when such
19 transportation is not prohibited by any applicable Federal
20 law; and

21 (5) Raffles when conducted in accordance with the
22 Raffles Act; and

23 (6) Gambling games conducted on riverboats, in
24 casinos, or at electronic gaming facilities when
25 authorized by the Illinois Riverboat Gambling Act.

26 (f) Sentence. Syndicated gambling is a Class 3 felony.

1 (Source: P.A. 86-1029; 87-435.)

2 (720 ILCS 5/28-3) (from Ch. 38, par. 28-3)

3 Sec. 28-3. Keeping a Gambling Place. A "gambling place" is
4 any real estate, vehicle, boat or any other property whatsoever
5 used for the purposes of gambling other than gambling conducted
6 in the manner authorized by the Illinois Riverboat ~~Riverboat~~ Gambling
7 Act. Any person who knowingly permits any premises or property
8 owned or occupied by him or under his control to be used as a
9 gambling place commits a Class A misdemeanor. Each subsequent
10 offense is a Class 4 felony. When any premises is determined by
11 the circuit court to be a gambling place:

12 (a) Such premises is a public nuisance and may be proceeded
13 against as such, and

14 (b) All licenses, permits or certificates issued by the
15 State of Illinois or any subdivision or public agency thereof
16 authorizing the serving of food or liquor on such premises
17 shall be void; and no license, permit or certificate so
18 cancelled shall be reissued for such premises for a period of
19 60 days thereafter; nor shall any person convicted of keeping a
20 gambling place be reissued such license for one year from his
21 conviction and, after a second conviction of keeping a gambling
22 place, any such person shall not be reissued such license, and

23 (c) Such premises of any person who knowingly permits
24 thereon a violation of any Section of this Article shall be
25 held liable for, and may be sold to pay any unsatisfied

1 judgment that may be recovered and any unsatisfied fine that
2 may be levied under any Section of this Article.

3 (Source: P.A. 86-1029.)

4 (720 ILCS 5/28-5) (from Ch. 38, par. 28-5)

5 Sec. 28-5. Seizure of gambling devices and gambling funds.

6 (a) Every device designed for gambling which is incapable
7 of lawful use or every device used unlawfully for gambling
8 shall be considered a "gambling device", and shall be subject
9 to seizure, confiscation and destruction by the Department of
10 State Police or by any municipal, or other local authority,
11 within whose jurisdiction the same may be found. As used in
12 this Section, a "gambling device" includes any slot machine,
13 and includes any machine or device constructed for the
14 reception of money or other thing of value and so constructed
15 as to return, or to cause someone to return, on chance to the
16 player thereof money, property or a right to receive money or
17 property. With the exception of any device designed for
18 gambling which is incapable of lawful use, no gambling device
19 shall be forfeited or destroyed unless an individual with a
20 property interest in said device knows of the unlawful use of
21 the device.

22 (b) Every gambling device shall be seized and forfeited to
23 the county wherein such seizure occurs. Any money or other
24 thing of value integrally related to acts of gambling shall be
25 seized and forfeited to the county wherein such seizure occurs.

1 (c) If, within 60 days after any seizure pursuant to
2 subparagraph (b) of this Section, a person having any property
3 interest in the seized property is charged with an offense, the
4 court which renders judgment upon such charge shall, within 30
5 days after such judgment, conduct a forfeiture hearing to
6 determine whether such property was a gambling device at the
7 time of seizure. Such hearing shall be commenced by a written
8 petition by the State, including material allegations of fact,
9 the name and address of every person determined by the State to
10 have any property interest in the seized property, a
11 representation that written notice of the date, time and place
12 of such hearing has been mailed to every such person by
13 certified mail at least 10 days before such date, and a request
14 for forfeiture. Every such person may appear as a party and
15 present evidence at such hearing. The quantum of proof required
16 shall be a preponderance of the evidence, and the burden of
17 proof shall be on the State. If the court determines that the
18 seized property was a gambling device at the time of seizure,
19 an order of forfeiture and disposition of the seized property
20 shall be entered: a gambling device shall be received by the
21 State's Attorney, who shall effect its destruction, except that
22 valuable parts thereof may be liquidated and the resultant
23 money shall be deposited in the general fund of the county
24 wherein such seizure occurred; money and other things of value
25 shall be received by the State's Attorney and, upon
26 liquidation, shall be deposited in the general fund of the

1 county wherein such seizure occurred. However, in the event
2 that a defendant raises the defense that the seized slot
3 machine is an antique slot machine described in subparagraph
4 (b) (7) of Section 28-1 of this Code and therefore he is exempt
5 from the charge of a gambling activity participant, the seized
6 antique slot machine shall not be destroyed or otherwise
7 altered until a final determination is made by the Court as to
8 whether it is such an antique slot machine. Upon a final
9 determination by the Court of this question in favor of the
10 defendant, such slot machine shall be immediately returned to
11 the defendant. Such order of forfeiture and disposition shall,
12 for the purposes of appeal, be a final order and judgment in a
13 civil proceeding.

14 (d) If a seizure pursuant to subparagraph (b) of this
15 Section is not followed by a charge pursuant to subparagraph
16 (c) of this Section, or if the prosecution of such charge is
17 permanently terminated or indefinitely discontinued without
18 any judgment of conviction or acquittal (1) the State's
19 Attorney shall commence an in rem proceeding for the forfeiture
20 and destruction of a gambling device, or for the forfeiture and
21 deposit in the general fund of the county of any seized money
22 or other things of value, or both, in the circuit court and (2)
23 any person having any property interest in such seized gambling
24 device, money or other thing of value may commence separate
25 civil proceedings in the manner provided by law.

26 (e) Any gambling device displayed for sale to a riverboat

1 gambling operation, casino gambling operation, or electronic
2 gaming facility or used to train occupational licensees of a
3 riverboat gambling operation, casino gambling operation, or
4 electronic gaming facility as authorized under the Illinois
5 ~~Riverboat~~ Gambling Act is exempt from seizure under this
6 Section.

7 (f) Any gambling equipment, devices and supplies provided
8 by a licensed supplier in accordance with the Illinois
9 ~~Riverboat~~ Gambling Act which are removed from a the riverboat,
10 casino, or electronic gaming facility for repair are exempt
11 from seizure under this Section.

12 (Source: P.A. 87-826.)

13 (720 ILCS 5/28-7) (from Ch. 38, par. 28-7)

14 Sec. 28-7. Gambling contracts void.

15 (a) All promises, notes, bills, bonds, covenants,
16 contracts, agreements, judgments, mortgages, or other
17 securities or conveyances made, given, granted, drawn, or
18 entered into, or executed by any person whatsoever, where the
19 whole or any part of the consideration thereof is for any money
20 or thing of value, won or obtained in violation of any Section
21 of this Article are null and void.

22 (b) Any obligation void under this Section may be set aside
23 and vacated by any court of competent jurisdiction, upon a
24 complaint filed for that purpose, by the person so granting,
25 giving, entering into, or executing the same, or by his

1 executors or administrators, or by any creditor, heir, legatee,
2 purchaser or other person interested therein; or if a judgment,
3 the same may be set aside on motion of any person stated above,
4 on due notice thereof given.

5 (c) No assignment of any obligation void under this Section
6 may in any manner affect the defense of the person giving,
7 granting, drawing, entering into or executing such obligation,
8 or the remedies of any person interested therein.

9 (d) This Section shall not prevent a licensed owner of a
10 riverboat gambling operation, casino gambling operation, or an
11 electronic gaming licensee under the Illinois Gambling Act and
12 the Illinois Horse Racing Act of 1975 from instituting a cause
13 of action to collect any amount due and owing under an
14 extension of credit to a ~~riverboat~~ gambling patron as
15 authorized under Section 11.1 of the Illinois Riverboat
16 Gambling Act.

17 (Source: P.A. 87-826.)

18 Section 90-57. The Eminent Domain Act is amended by adding
19 Section 15-5-45 as follows:

20 (735 ILCS 30/15-5-45 new)

21 Sec. 15-5-45. Eminent domain powers in New Acts. The
22 following provisions of law may include express grants of the
23 power to acquire property by condemnation or eminent domain:

1 Chicago Casino Development Authority Act; City of Chicago; for
2 the purposes of the Act.

3 Illinois Casino Development Authority Act; Illinois Casino
4 Development Authority; for the purposes of the Act.

5 Section 90-60. The Payday Loan Reform Act is amended by
6 changing Section 3-5 as follows:

7 (815 ILCS 122/3-5)

8 Sec. 3-5. Licensure.

9 (a) A license to make a payday loan shall state the
10 address, including city and state, at which the business is to
11 be conducted and shall state fully the name of the licensee.
12 The license shall be conspicuously posted in the place of
13 business of the licensee and shall not be transferable or
14 assignable.

15 (b) An application for a license shall be in writing and in
16 a form prescribed by the Secretary. The Secretary may not issue
17 a payday loan license unless and until the following findings
18 are made:

19 (1) that the financial responsibility, experience,
20 character, and general fitness of the applicant are such as
21 to command the confidence of the public and to warrant the
22 belief that the business will be operated lawfully and
23 fairly and within the provisions and purposes of this Act;
24 and

1 (2) that the applicant has submitted such other
2 information as the Secretary may deem necessary.

3 (c) A license shall be issued for no longer than one year,
4 and no renewal of a license may be provided if a licensee has
5 substantially violated this Act and has not cured the violation
6 to the satisfaction of the Department.

7 (d) A licensee shall appoint, in writing, the Secretary as
8 attorney-in-fact upon whom all lawful process against the
9 licensee may be served with the same legal force and validity
10 as if served on the licensee. A copy of the written
11 appointment, duly certified, shall be filed in the office of
12 the Secretary, and a copy thereof certified by the Secretary
13 shall be sufficient evidence to subject a licensee to
14 jurisdiction in a court of law. This appointment shall remain
15 in effect while any liability remains outstanding in this State
16 against the licensee. When summons is served upon the Secretary
17 as attorney-in-fact for a licensee, the Secretary shall
18 immediately notify the licensee by registered mail, enclosing
19 the summons and specifying the hour and day of service.

20 (e) A licensee must pay an annual fee of \$1,000. In
21 addition to the license fee, the reasonable expense of any
22 examination or hearing by the Secretary under any provisions of
23 this Act shall be borne by the licensee. If a licensee fails to
24 renew its license by December 31, its license shall
25 automatically expire; however, the Secretary, in his or her
26 discretion, may reinstate an expired license upon:

1 (1) payment of the annual fee within 30 days of the
2 date of expiration; and

3 (2) proof of good cause for failure to renew.

4 (f) Not more than one place of business shall be maintained
5 under the same license, but the Secretary may issue more than
6 one license to the same licensee upon compliance with all the
7 provisions of this Act governing issuance of a single license.
8 The location, except those locations already in existence as of
9 June 1, 2005, may not be within one mile of a horse race track
10 subject to the Illinois Horse Racing Act of 1975, within one
11 mile of a facility at which gambling is conducted under the
12 Illinois ~~Riverboat~~ Gambling Act, within one mile of the
13 location at which a riverboat subject to the Illinois ~~Riverboat~~
14 Gambling Act docks, within one mile of the location of a casino
15 subject to the Illinois Gambling Act, within one mile of the
16 location of an electronic gaming facility subject to the
17 Illinois Gambling Act, or within one mile of any State of
18 Illinois or United States military base or naval installation.

19 (g) No licensee shall conduct the business of making loans
20 under this Act within any office, suite, room, or place of
21 business in which any other business is solicited or engaged in
22 unless the other business is licensed by the Department or, in
23 the opinion of the Secretary, the other business would not be
24 contrary to the best interests of consumers and is authorized
25 by the Secretary in writing.

26 (h) The Secretary shall maintain a list of licensees that

1 shall be available to interested consumers and lenders and the
2 public. The Secretary shall maintain a toll-free number whereby
3 consumers may obtain information about licensees. The
4 Secretary shall also establish a complaint process under which
5 an aggrieved consumer may file a complaint against a licensee
6 or non-licensee who violates any provision of this Act.
7 (Source: P.A. 94-13, eff. 12-6-05.)

8 ARTICLE 99.

9 Section 99-95. No acceleration or delay. Where this Act
10 makes changes in a statute that is represented in this Act by
11 text that is not yet or no longer in effect (for example, a
12 Section represented by multiple versions), the use of that text
13 does not accelerate or delay the taking effect of (i) the
14 changes made by this Act or (ii) provisions derived from any
15 other Public Act.

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